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cultural observatory

MEASURING AND VALUING SOUTH AFRICA'S CULTURAL AND SPORT ECONOMY



Final Report

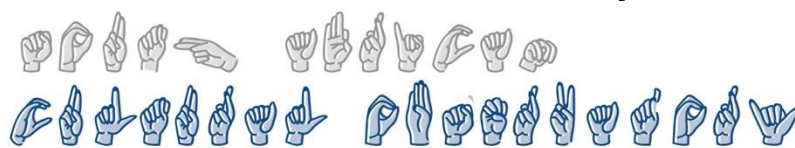
The Macroeconomic Impact of the CCI&S in South Africa

Submitted to: Department of Sports, Arts and Culture | Submitted by: Nelson Mandela University





South African Cultural Observatory



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2025

Executive Summary

The cultural, creative, and sports industries are vibrant and dynamic phenomena in a nation's economy. They include an extensive array of goods and activities in traditions, literature, music, visual arts, knowledge-based activities, film, and sports. The activities are a product of human intellect and artistic capabilities. They often experiment and problem-solve, which can result in innovative ways of doing things. The industries positively shape the country's economic outlook by contributing nation's identity, meaningful entertainment, and leisure. Their importance has emerged as champions in innovation, employment, and economic development. The global share of the creative economy is estimated to be around \$2.3 trillion in 2024, contributing 3.1% to GDP and employing 6.2% individuals. The creative industries are known to create more employment for women and youths than any other sector, which is a great potential for Africa given that the continent has over 60% of its population under 25 years old. The CCI&S industries are well-known for generating multiplier effects on other related industries, hence governments around the world have identified the industries as one of the new drivers of local and economic growth. Against this background, this study was commissioned to map the impact of the CCI&S industries for the years 2021 to 2023. Periodic assessment of the industries is necessary for responsive interventions that unlock the ever-expanding trade and employment potential of the sector. Moreover, we assess the digitization landscape affecting the industries, which is important for the industries long-term survival and competitiveness. We also analyse environmental sustainability with the aim of positioning the industries as champions of the change.

We used a Macroeconomic Impact Assessment Model based on a Social Accounting Matrix. A Satellite Account for the Cultural, Creative, and Sports Industries was embedded into the Social Accounting Matrix. The results show that the CCI&S industries have a sizeable impact on the economy. The industries contributed about 3.9% of the national GDP during the years 2021 to 2023; and about 7% of employment in the same years. In 2021 the CCI&S industries contributed R250 billion to GDP, and 1 053 547 in employment contribution. The industries GDP contribution moderately increased in 2022, owing to the improvement in the macroeconomic conditions after the COVID19 pandemic, with the GDP amounting to R258 billion. However, the industries employment contracted to 1 039 414 in 2022 because of structural changes from digitization, bouncing back in 2023 with an employment contribution of 1 165 709 and the GDP of R271 billion.

Capital use was estimated to be R36 billion over the years 2021 to 2023. The total impact on household income amounted to R230 billion on average over the same years, of which about 12% was allocated to lower-income households in South Africa. This shows that the industries play an important role in poverty alleviation. The annual fiscal impact of the CCI&S sector amounted to approximately R109 billion over the 3 years through direct and indirect taxes. This income can finance different types of socioeconomic services like paying for teachers, hospitals, and low-cost housing.

The Design and Creative Services, followed by Sports and Recreation, and the Audio-Visual and Interactive Media were the main contributors to the overall GDP of the CCI&S industries over the years. On the contrary, Performance and Celebration, and Cultural and Natural Heritage had the least contribution to total GDP contribution respectively. This can be explained by the negative impact the

lockdown and various COVID-19 regulations had on those specific sectors. The results also revealed that the industries mostly generated skilled jobs in 2021 and 2022, with semi-skilled jobs leading in 2023.

In conclusion, there are endless opportunities for the CCI&S industries in South Africa for the future. With the digital transformation that is unfolding, South Africa must position itself to compete on the global stage. Policies are required to ensure that relevant technology is available for the creatives. Support must be provided for a seamless transition and continuity. The government needs to position education institutions to train students for future occupations so that the required skills for the creative economy are available in-house, and the creatives can be globally competitive. Moreover, the industries need to take part in saving the planet from human activities that degrade the environment resulting to climate change.

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List of Abbreviations

AFS	Annual Financial Statistics
BPM	Balance of Payments and International Investment Position Manual
CCI	Cultural and Creative Industries
CCI&S	Cultural, Creative Industry, and Sports Industries
CGE	General Equilibrium Model
DSAC	Department of Sports, Arts, and Culture
EBOPS	Extended Balance of Payment Services
FCS	Framework for Cultural Statistics
GDP	Gross Domestic Product
GHS	General Household Survey
GOS	Gross Operating Surplus
GVA	Gross Value Added
HS	Harmonised Commodity Description and Coding System
IP	Intellectual Property
I-O	Input-Output
IMF	International Monetary Fund
KMA	Keynesian Multiplier Analysis
LMD	Labour Market Dynamics
MEIA	Macro-Economic Impact Assessment
MTEF	Medium Term Expenditure Framework
QES	Quarterly Employment Statistics
QFS	Quarterly Financial Statistics Survey
QLFS	Quarterly Labour Force Survey
SACO	South African Cultural Observatory
SAM	Social Accounting Matrix
SDG	Sustainable Development Goals
SIC	Standard Industrial Classification
SITC4	Standard International Trade Classification
SNA	Systems of National Accounts
StatsSA	Statistics South Africa
SU-Tables	Supply and Use Tables
UNCTAD	United Nations Conference on Trade and Development
UNESCO	United Nations Educational, Scientific, and Cultural Organization
VR	Virtual Reality

1. Introduction

In today's increasingly globalised world, cultural, creative, and sports industries (CCI&S) are emerging as crucial sectors of national economies that significantly contribute to not only leisure and entertainment, but also stand as pillars of innovation, competitiveness, employment and development. The global share of the creative economy was estimated to be around \$2.3 trillion in 2024, contributing 3.1% to GDP and employing 6.2% individuals. The creative industries are known to create more employment for women and youths than any other sector, which is a great potential for Africa given that the continent has over 60% of its population under 25 years old. The CCSI could therefore constitute a new avenue for the million job seekers that enter the job market monthly in this continent.

In South Africa, the economic and social footprint of these industries is already noticeable. For instance, in 2020, South Africa's cultural and creative industries contributed 3% to Gross Value Added (GVA) and accounted for 4.1% employment in 2019. As the global economy continues to recover following the easing of pandemic-related restrictions, these sectors are projected to rebound, benefiting from renewed tourism, increased cultural exchange, and domestic consumption with employment trends further underscoring the sector's importance. The cultural and creative industry generated just under a million jobs in 2022 in an array of occupations including film makers, designers and actors (SACO, 2022). The sports also make an important contribution in South Africa's GDP. The industry is estimated to add about R50 billion annually to GDP (DSAC, 2022). Jobs are created in the sports industries themselves, and in related industries, stimulated by tourism. Trade statistics reflect similar potential of the CCS&I in South Africa with exports of cultural goods rising from 0.25% of cultural exports to 0.47% in 2018 (SACO, 2022).

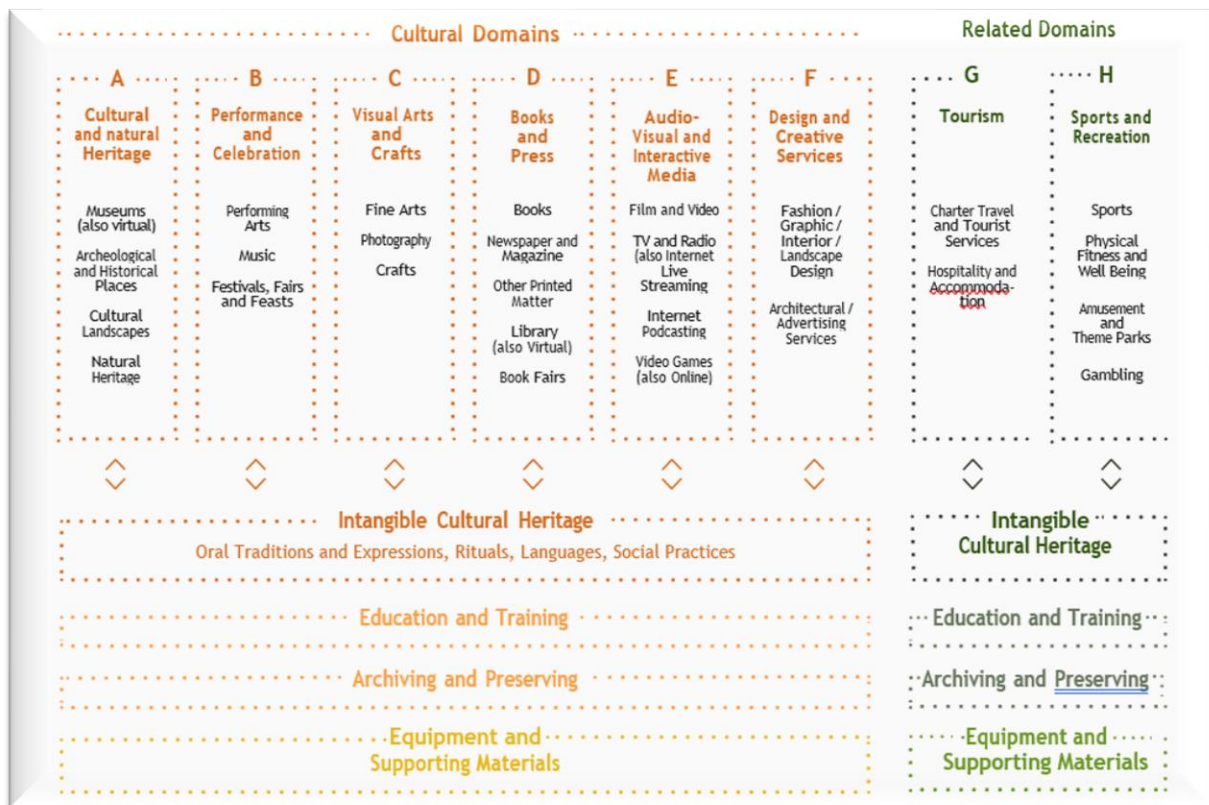
Given the importance of the cultural, creative and sports industries to the South African economy, it is of interest to the government to leverage its potential both for economic growth and environmental sustainability. In this line, digital technologies are on one hand, increasingly becoming a defining force in reshaping cultural expression, creative industries, and sports around the world. The digital age can make it relatively easier for the African culture, with digital tools now structuring how stories are communicated, music being shared, how games are played, and art is monetized. On the other hand, there is pressing need to combat climate change as temperature increases, altered rainfall patterns, and extreme weather events pose a danger to public health, food production, biodiversity, and water security (DEA, 2019). The CCI&S can drive the economy to environmental sustainability through platforms that shape public opinion, promote eco-conscious behaviours, and lead by example through sustainable practices within their productive practices. The objective of this chapter is to explore on one hand, the impact of digitization on the cultural, creative, and sports industries in South Africa, and how these industries can actively contribute to environmental sustainability on the other hand. Secondly, to analyse the macroeconomic impact of the CCI&S industries on the South African economy. Drawing on global best practices and local examples, the chapter provides a critical assessment of current trends, challenges, and opportunities, offering policy implications to strengthen the role of CCI&S in building a more inclusive, innovative, and environmentally responsible future.

1.1. Defining the Cultural, Creative, and Sports Industries

The creative economy is an evolving concept, which currently does not have a universal definition. The terms creative economy and creative industry do not mean the same thing in countries and governments. The creative industries encompass specific industries of a creative nature, while the creative economy sums up all output derived by creatives, which is sometimes difficult to quantify. The industries are deeply rooted in human capital; hence it has a huge job creation potential. The output stems from individual creativity, imagination, inspiration, skills, and talent, which in turn translates to wealth.

UNESCO (2023) defines the cultural, creative Industry, and sports (CCI&S) as “the creation, production, and commercialization of products which are intangible and cultural in nature” and, which are “...protected by copyright and they can take the form of a good or a service’. The figure below shows the different domains under the industry.

Figure 1: Framework for Cultural Statistics – UNESCO Institute for Statistics (FCS/ISU)



Source: UNESCO (2009)

Similarly, according to the United Nations Conference on Trade and Development (UNCTAD), the cultural and creative industry mainly includes advertising, architecture, arts and crafts, design, fashion, film, video, photography, music, performing arts, publishing, research, and development, software, computer games, electronic publishing, and TV/radio. In South Africa, the cultural industries include music (classical, popular, folklore); the visual arts (painting, sculpture, public arts, and the decorative arts); the publishing sector based on writing and literature (books, magazines, newspapers); the audio-visual and media sector (film, television, photography, video, broadcasting); the performing arts

(theatre, dance, opera, live music); the emerging multimedia sector (combining sound, text, and image); crafts (traditional art, designer goods, craft art, functional wares, and souvenirs); cultural tourism; and the cultural heritage sector (museums, heritage sites and cultural events such as festivals and commemorations) (CSA, 1998). The industries are supported by important transversal domains such as education and training, archiving and preserving, and equipment and supporting materials. Education and training ensure that creators are equipped with the relevant skills required in the market, enabling them to compete effectively. Archiving and preserving ensure the cultural heritage are properly preserved so that even future generations can also enjoy it. Equipment and supporting materials serve as enablers in ensuring cultural products exist through the provision of infrastructure, technology, and seamless distribution.

The South African government has also established the industry's importance in creating economic and social benefits. This is evident in several official strategy documents that were previously written to develop sector¹. The Cultural and Creative Industries Master Plan released in 2022 is the most recent offering that aims to set up specific interventions to assist in creating decent work for the citizens of the country. However, it is important to regularly determine the picture and the impact of the creative industries on the South African economy. It is for that reason, SACO commissioned the mapping of the CCI&S, which started in 2018. The aim is to map the impact of CCI&S and Sports Industries on the South African economy. The sports industry is a new addition to the report, it was previously not included in the previous project scope. This is Chapter 1 of 5 separate Chapters. The contents of the Chapters will be as follows:

- Chapter 1: The Macroeconomic Impact of the CCI&S in South Africa
- Chapter 2: Cultural Employment and Transformation
- Chapter 3: International Trade in Cultural Goods and Services
- Chapter 4: Spatial Distribution – Provincial and Metro Profiles
- Chapter 5: CCI&S Historical Context

This study builds upon the SACO's mapping study that started in 2018, using the previous mapping study as a baseline of the CCI&S industries. The previous mapping study analysed the impact of COVID19 on the industries. Most sectors of the economy were affected by the pandemic; the cultural and creative industries were not exception. Domains were unequally affected, with domains like the performance and celebrations facing the most significant impacts from lockdowns. On the other hand, domains that could operate on digital technologies were more resilient. Against this background, the current study explores the two critical trends that are affecting societies at large, i.e. digitization and environmental sustainability. Digitization is currently transforming many of industries including the cultural and creative industries, while the world is threatened by climate change.

The outline of Chapter 1 is as follows; Section Two investigates the Impact of Digitization on the CCI&S industries. With the ongoing digital transformation, such a discussion is necessary to ensure the industries stay relevant and competitive. Section Three discusses the Environmental Sustainability and the Role of the CCI&S industries. This is an important topic given the climate change challenges occurring globally. All industries including the CCI&S industries need to be part of the solution in

¹ Cultural Industries Growth Strategy (CIGS, 1998), Accelerated and Shared Growth Initiative for South Africa (ASGISA), National Industrial Policy Framework (NIPF), New Growth Path (NGP) and the National Development Plan (NDP).

mitigating climate change. The Fourth Section considers policy implication emanating from digitization and environmental sustainability. Section Five outlines the Methodology used in the study; using a Macro-Economic Impact Assessment (MEIA) to estimate how the activities of the CCI&S in one or more parts of the economy affect other sectors of the economy. The economic contribution of the CCI&S is presented in Section Six. This is followed by analyses of the Consumption Expenditure on Recreation and Entertainment is analysed in the Section Seven. The study concludes with Section Eight.



2. The Impact of Digitization on the Cultural, Creative, and Sports Industries

2.1. Understanding Digitization in the Creative, Cultural, and Sports Sectors

In the advent of digital technologies, digitization is increasingly becoming a defining force in reshaping cultural expression, creative industries, and sports around the world. The digital age made it relatively easier for the African culture, with digital tools now structuring how stories are communicated, music being shared, how games are played, and art is monetized. In a context like South Africa, with a rich culture and creativity, the increasing use of digitization offers both overwhelmed opportunities and persistent barriers. This section explores how digitization is transforming these domains, with a focus on Africa's unique adaptation to global shifts.

2.1.1. Rise of digital platforms and technologies

During this digital age, the production, distribution, and beautification of cultural content, are revolutionized by digital platforms. In Africa, the music industry, for example, offers a powerful illustration of this transformation. In recent years across Africa, and particularly in South Africa and Nigeria, local artists have seen an exponential increase in global reach and revenue. Amapiano, a homegrown genre originating from South African townships, has exploded in global popularity thanks to digital platforms like YouTube, TikTok, and Beatport, where it now has its own dedicated category (Ahmed, 2025). This has resulted in the music and sporting industries gaining a lot of fans, and views while creating opportunities for global viewership, because of digitalization that contributed profoundly to transforming the music and sport industry (Vlada et al., 2021).

Also, due to the global rise of digital platforms particularly in Africa, the fashion industry has adopted digitization with agility and promising continuity. The South African Fashion Week, for instance, responded to the pandemic by hosting fully virtual runway events in 2020. These digital showcases not only ensured continuity during lockdowns but also reached wider audiences and attracted sponsorship from new sectors. In sports for example, the SuperSport Schools platform has transformed youth athletics by live-streaming over 90 hours of school sports, enabling fans and scouts to access amateur games in real-time through AI-powered cameras (MultiChoice, 2023). In addition to already discussed growth in the sports industry, during the Olympics, SuperSport delivered another incredible Olympic Games in Paris 2024, with 19 days of non-stop action. Within this period, 10500 athletes took part at 35 venues and have recently bettered that since then. These cases exemplify how digital technology is revolutionizing digital platforms which facilitates access and participation in creative and sports industries.

2.1.2. New professions, new forms of content, and audience interaction



The rise of digitization and its rapid spread has created a wave of entirely new professional pathways that have transformed the way culture is seen, understood and displayed. This has led to the creation of various sports and multiple income-generating activities, with more participants as information becomes more accessible than ever before. Careers that were inexistence a decade ago are now the order of the day, such as esports managers, digital preservationists, virtual fashion

stylists, and AI content curators. This is becoming essential to the ecosystem and maturing the world's creative industries. For instance, Shudu Gram, a digital supermodel with South African origins, has collaborated with global fashion brands and magazines (Hsu, 2019). Meanwhile, virtual influencer Kim Zulu became an ambassador for New York Digital Fashion Week in 2024 (Daigle, 2020). These developments have created new professions and demand for artists, 3D animators, and machine learning engineers. These innovations are continuing to take a different pace after the Covid-19 disruptions, and will continue to create different dimensions of opportunities.

Esports is another burgeoning industry in the whole world, particularly in the western countries leading the way. In Africa, with South Africa currently having the largest esports following on the continent, with over 12 million active fans. This growth is supported by an increasingly organized structure, which includes university programs in esports management and professional teams like Bravado Gaming, which has taken a unique approach in recent years . In addition, this gaming system has evolved into a multi-billion-dollar global industry driven by faster processors, improving graphics and increased gaming experiences. Also,

this has made it possible for audience engagement, making it more participatory, with features like live sessions, polls and user-generated content. Moreover, the Wits Rock Art Digital Archive exemplifies how digitization is reshaping heritage work. The archive preserves over 300,000 high-resolution images of prehistoric art and employs digital archivists trained in both anthropology and data science (Wits University, 2023). These shifts reflect the emergence of new hybrid professions rooted in both creativity and technology.

2.1.3. Global shifts and how South Africa is adapting

The rapid spread of digital technologies, particularly the rise of artificial intelligence and decentralized content platforms, is transforming creative processes worldwide. This transformation is evident in Africa, with South Africa at the forefront due to the swift growth of its digital economy. The country's creative industries, especially in sports and culture, are increasingly adopting AI tools in their workflows (Madima, 2021). This integration is improving the distribution of African culture across the continent. A 2024 report by the South African Cultural Observatory (SACO), revealed that over 70% of South Africa's artists and creators had adopted generative AI in beautifying the music industry and performing tasks ranging from music composition to visual editing (SACO, 2024). A large majority (68%) of these surveyed artists, were positive and excited about AI tools that made them boost their credibility, recognizing the potential for new possibilities. This is credited to a rapid and broader wave of digitization as co-creation rather than mere support.

The role of digitisation inevitably validates the creative-destruction principle of Schumpeter, which affirms that innovation results in creative destruction. This manifests itself not only by reshaping industries in terms of growth and innovation, but also by destroying old skills and mediums of transformation in these sectors. However, these innovations remain more sustainable and intersect directly with both the industrial output and environmental sustainability. By enabling dematerialisation, digitisation helps reduce resource consumption, carbon emissions from logistics, and physical waste. This dematerialisation could be in the form of replacing physical CDs and virtual showcases, as well as replacing traditional runway events. In the cultural and creative sectors, this enhances sustainability through the creation of opportunities/activities to align with the United Nations' Sustainable Development Goals (SDGs), particularly in promoting responsible consumption and sustainable cities. This manifests itself in the music industry, as in digital fashion weeks in South Africa, drastically reduced international travel and textile waste, while contributing to long-term cultural sustainability by preserving fragile artefacts in accessible formats. In the sport dimension, digital broadcasting platforms allow broader access without requiring mass physical infrastructure, contributing to more sustainable fan engagement models.

Despite the increasing adoption of digital technologies, particularly generative AI, challenges remain. Although South Africa leads Africa in mobile connectivity, digital inequality still persists. Rural areas marginalized of development infrastructures, face higher data costs and reduced network reliability, making it difficult for creators in these areas to access innovative platforms like the AI due to reduced connectivity. This indicates that outside urban centres, it remains difficult to engage with data-heavy formats like virtual reality or high-definition streaming (Open signal, 2024). In addition, intellectual

property (IP) laws have not kept pace with these digital shifts and their transformed platforms. Though, the current frameworks still play a role, but inadequately protect digital artists and developers. With the case of South Africa, this cost is a huge burden to the economy and estimated to amount to R47 billion annually in counterfeiting and IP-related revenue losses, reported by IOL in 2024 (IOL, 2024). Policy reform and infrastructural investment are therefore critical if the country is to fully capitalize on the potential of digitization. This, however, shows that despite the burgeoning digital industry, there are still challenges faced in its adaptation, particularly in Africa whose knowledge economy is relatively under-developed (Zhao and Li, 2024).

2.2.Opportunities and Challenges in the Digital Economy

The evolution of global development, as supported by Karl Marx, suggests that social change occurs through the synthesis of opposing forces (Pravdova et al., 2023). As the tension between these opposing ideas lessens, innovation and new concepts emerge, leading to the digital era and its monetization. Over time, particularly within the creative industry, economic considerations of creativity and the need for rewards have become increasingly emphasized. The logic of finance now plays a critical role in legitimizing and supporting cultural and creative industries. Additionally, there has been a significant shift in understanding the role of art. The last three decades of the 20th century saw the emergence of a new conceptualization of artistry, viewing it as an economically important component of holistic culture. Recently, monetization has captured the attention of millions of people involved in content creation. It has inspired many individuals who once struggled to support themselves to use their creativity to thrive in the digital space as a means of earning a livelihood, though still with a lot of challenges.

2.2.1. Monetization of digital creativity

The advancement of digital technologies has created multiple avenues for monetization across various creative industries including music, fashion, visual art, gaming, and sports. The African music industry is growing so large in particular, with Nigeria and South Africa's music industry growing so fast as compared to other countries. Specific to the South Africa's music industry, musician Sjava's 2023 album *Isibuko* alone, amassed over 7.7 million streams in five days, with total streams exceeding 42 million in one year . This number speak for itself with other numerous growth, demonstrating how stream-based revenue models can reward high engagement, thanks to monetizing creative arts . Similarly, fashion brands are also experimenting



with digital retail strategies in South Africa with an example being the Woolworths' augmented reality "virtual try-on" feature which significantly boosted online sales through the improvement of user experience and reducing return rates.

In the art industry, South Africa's digital artists are beginning to explore non-fungible token (NFT) markets to monetize their creative work. However, adoption remains cautious due to regulatory uncertainties surrounding the global insecurities brought by this transformation (Snowball, 2017). In South Africa for instance, the Wits Rock Art Digital Archive has successfully monetized its assets by licensing high-resolution images to international museums and educational platforms, as reported by the Wits University in 2023. In the esports domain, earnings from brand sponsorships, media rights, and live coverage are projected to generate significant income. This demonstrates the importance of the transformation in the sports industry, driven by the digital era, and highlights the commercial potential of digital-native sports (Wits University, 2023). Each example shows how digitization is creating new revenue streams while necessitating adaptation and innovation from creators.

2.2.2. IP, platform access, and inequalities



Despite the growth of digital technologies and their promising opportunities, the digital economy has exacerbated existing inequalities, particularly in Africa. South Africa serves as a stark example of this, ranking as the most economically unequal country on the continent according to the Gini Index by the United Nations University World Institute for Development Economics Research (Uni-Wider). Intellectual property has become a pressing concern in recent times. A notable case is that of Laduma Ngxokolo, the founder of the fashion brand MAXHOSA, who has repeatedly faced copyright infringement and counterfeiting issues, especially on online platforms. Without strong legal protections, many creators find themselves vulnerable to these challenges. In addition, on streaming platforms,

revenue disparities persist. Less than 10% of South African musicians on Spotify earn more than R100,000 annually, pointing to the concentration of wealth and attention in a few top-tier acts.

Digital platform access remains unevenly distributed across the globe. The intensity is worse in Africa due to inequalities in the distribution of technology infrastructure and human capital accumulation. For example, high data prices and lack of infrastructure disproportionately affect rural creators and sports teams, making it difficult for them to engage in high-bandwidth content production. As a result, it restricts

them from benefiting from live monetization models such as digital ticketing, e-commerce, or video streaming. While digitization enables new forms of expression, it also raises critical questions about who gets to participate and benefit from the digital economy. This is an aspect that needs to be addressed, targeting policies that promote technology infrastructure and its expansion to rural communities to reduce inequality.

2.2.3. Case examples from South Africa (music, fashion, art, gaming, e-sports)

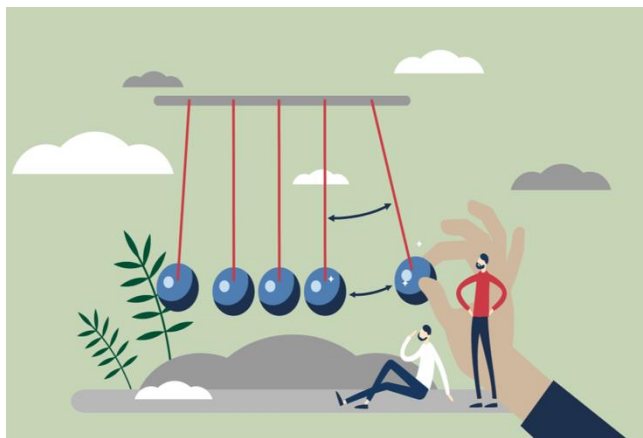


When examining South Africa, one of the most developed countries in Africa regarding the integration of digitalization in its arts industry, we find a rich background that inspires generations. This provides valuable case studies that highlight the dynamism of digital transformation, especially within the music industry. In music for example, Balcony Mix sessions by Major League DJs have attracted millions of YouTube viewers and international bookings, proving the power of online platforms to power up the creative art and to reach all corners of the globe. In addition, the fashion industry has also experienced rapid growth in South Africa, with the emergence of Kim Zulu as a virtual brand ambassador highlighting how AI is used as a reimagining identity and representation tool in the industry. This also serves as a good example of heritage preservation with how the Wits Rock Art Archive combines cultural conservation with digital innovation. Finally, in the domain of sport, the SuperSport School app also provides a model for grassroots sports digitalization, offering visibility and analytics to young athletes and enabling monetization through sponsorship and advertising.

It remains important to note that industries within the cultural, creative, and sports sectors are equally affected by the development in other sectors. The South African Literature on this dimension indicates that high-impact industries are music, fashion, and esports, with massive contributions to their GDP. In these sectors, digital tools have transformed production, distribution, and audience engagement, contributing to both employment and welfare in the country. Regarding the medium-impact industries, we see the importance of visual arts and sports broadcasting, where digitisation enhances access but still coexists with physical formats. The transformation in this sector makes it an important sector that requires government subsidisation to promote its impact. The low-impact sectors, which are also considered to be important in terms of their contributions, remain traditional performing arts and crafts². These sectors rely heavily on in-person interaction and symbolic value, though gradual digital adoption is emerging. This highlights where sustainability gains are most pronounced.

2.3. Measuring the Impact of Digitization in the Cultural, Creative, and Sports Industries

Quantification as a means of understanding and evaluating past and present trends for future directives is very important in policy analysis. In the case of Africa and South Africa in particular, understanding how digitization reshapes culture, creativity, and sport is crucial for evidence-based policy interventions. This shapes investment decisions and the equitable distribution of value for reducing inequalities in one of Africa's most creative art countries. Without these reliable indicators, policymakers will struggle to justify cultural spending and communities risk losing sight of the social meaning of their cultural heritage. International bodies consider these quantified indicators as a prerequisite for mainstreaming culture within development agendas. This importance also echoes the UNESCO Culture Indicator framework that calls for "data-driven narratives" linking culture to the Sustainable Development Goals (2021).



Assessing what type of impacts, the literature tells us that digitization produces multidimensional effects. These effects are quantifiable and comparable over time in a trend or descriptive analysis. Economic metrics include revenue growth, for example, PwC reported that South Africa's entertainment-and-media turnover rose from R295 billion to a projected R363 billion between 2023-2028. In addition, the assessment in the job creation section such as esports production is so

fundamental and massive in terms of job creation and opportunities' distribution. In addition, in terms of assessing the innovativeness dimension of the industry, we track new business models, NFT sales, streaming royalties, data licensing with visibility tracked through global social-media reach and attendance at virtual events. Another dimension is the social and cultural dimensions that can be assessed

² This is supported by South African Cultural Observatory's report. Available at: https://www.southafricanculturalobservatory.org.za/article/629?utm_source

through the preservation of local languages and community participation in digital heritage projects. For instance, the 2024 South Africa's AI-Creative-Industries survey showed that 70 % of creatives now use generative-AI tools, but also expressed concerns about IP protection .

On the empirical front, the impact of digitization can be measured with a wide range of methodological approaches. Nationally or continent-wide conducted surveys and administrative data remain foundational, helping track changes in income generation and platform usage. This can be assessed easily and most often supplemented by platforms like YouTube Analytics or channel subscribers as well as a number of channel owners. This permits and makes it possible to cut the inequality gap as well as extend technology infrastructures to previously neglected areas. Econometric models, such as difference-in-differences or panel data analysis, can be utilized to evaluate the causal effects of digital interventions, like broadband expansion or the entry of new platforms, by comparing data across different countries over time. Additionally, big-data approaches, including social listening and blockchain analysis can also enable high-frequency monitoring of online sentiment and digital transactions. Finally, qualitative case studies of high-impact projects such as SuperSport Schools can provide a more holistic understanding of how digitization has shaped industries.



3. Environmental Sustainability and the Role of the Cultural, Creative, and Sports Industries

3.1.Environmental Challenges Facing South Africa

While Africa's contribution to the global carbon emissions is about 3%, the continent disproportionately suffers the consequences of climate change. South Africa is the largest emitter of carbon emissions on the continent, contributing to the negative climate impacts. Climate change is evident today more than ever before through changes in rainfall, and more frequent occurrence of severe weather conditions. According to a report from the Department of Environmental Affairs, these shifts endanger water security, biodiversity, food production, and human health (DEA, 2019). Furthermore, air pollution and industrial waste, and extraction of resources are destroying ecosystems, and, as a result, the opportunities available to vulnerable people. Below is a more detailed picture of the South African context.

3.1.1. Climate change

South Africa is witnessing a steady temperature rise of about 0.2°C in every ten years (Johnston et al., 2024), which places climate change as an important environmental problem in South Africa, causing a number of related problems, such as prolonged heatwaves, frequent droughts, and higher flood risk. Over the recent years, human activities are intensifying not only the frequency but also the severity of high-temperature events across the region (Trisos et al., 2022). Although average rainfall has reduced throughout most parts of the country excluding the North-West, Douville et al., (2021) note this trend to

be linked to human-induced climate change, which significantly increased the chances of the severe drought that took place between 2015 and 2017. Even when average rainfall is decreasing, extreme rainfall events have become both more and more common and intense. An example is the heavy rainfall

that struck KwaZulu-Natal neighbourhoods in 11-12 April 2022, causing the deaths of 435 persons and forcing thousands to evacuate, was found to be likely as a of climate change (Pinto et al., 2022). Moreso, the surrounding marine environment is also facing important distortions as marine heatwaves are intensifying, and sea levels rise steadily at a rate of 2.07 millimetres in the South Atlantic and 1.33 millimetres in the Indian Ocean between 1900 and 2018.

Deforestation is also an important environmental problem facing South Africa and other members of Southern African Development Community (SADC), since the former contributes to amplify climate change. Every year, Africa is said to loose 3.4 million hectares of forest and woodland (Wei et al., 2023) which corresponds to an annual deforestation rate of 0.6%; far above the global average of 0.15% recorded between 1990 and 2020. Numerous interrelated factors are driving this trend among which we can cite; the expansion of agricultural land, unsustainable grazing, wildfires, and the production of charcoal for household energy, common in mostly rural and some urban areas. This exerts pressure on forest resources provoking its rapid depletion (Miles & Kapos, 2008). The consequences can go beyond the loss of the biodiversity and carbon refuge, but also a high prevalence of vulnerability to climate-related disasters, highlighting the need for integrated strategies that address both energy access and forest conservation.

Although it is difficult to isolate and quantify the exact influence of the cultural creative and sport industries on climate change, there is increasing recognition that unsustainable practices from these industries have contributed further to climate change mainly through high energy consumption to run mega events and for the production, use and disposal of fashion and sport accessories. For instance, the report by the Rapid Transition Alliance concludes that the footprint and emissions from the global sport industry is comparable to those of a medium-sized economy³. Indeed, estimates show that the World Cup 2018 in Russia released 2.16 million tons of carbon dioxide while the 2016 Rio Olympics games generated up to 3.6 million tons of carbon dioxide (Talib, 2020).

3.1.2. Pollution

According to the World Health Organisation (WHO), pollution be it air, water, or soil, remains an important environmental threatens public health worldwide. Although the SADC region is generally low emitter of air and water pollutants, numerous and persistent sources continue to impact environmental quality: industrial emissions from coal-fired power stations, cement and chemical factories, as well as pollution from bush fires, the burning of biomass (such as firewood and charcoal), open waste incineration, and vehicle exhaust (Brunekreef & Holgate, 2002). In the specific case of South Africa, pollution is brought about by summation of industrial fossil fuel combustion, use of coal, wood, and paraffin for heating and cooking, and emissions from road transport (Wrigh et al., 2017). The country's growing dependence on

³ David Goldblatt, *Playing Against the Clock* (Rapid Transition Alliance, 2020).
<https://www.rapidtransition.org/resources/playing-against-the-clock/>

coal-powered energy further amplifier air pollution levels (Greenpeace, 2023). South Africa is listed as the most emitter in Africa and 12th largest emitter of carbon dioxide (CO₂) globally emitting around 387 million metric tons of CO₂ in 2004, which accounted for nearly half of Africa's total emissions (UNEP, 2004). This high emissions profile is directly linked to the energy-intensive nature of the South African economy, in which fossil fuels supply over 90% of the country's primary energy needs with coal play a dominant role in the energy mix accounting for roughly 75% of fossil fuel use and 93% of total electricity (UNEP, 2004). The CCI&S also contribute significantly to this growing pollution mainly through increase demand for transportation to attend major cultural and sport events and the transportation of equipment, high water consumption and landfill pollution by the textile industry, micro plastics from equipment cleaning and waste from food remains, beverage containers and single use objects generated during gatherings constitute a non-negligible source of pollution.

3.1.3. Waste management

There is a growing awareness of the dangers that waste including a variety of items like old, broken household products, food leftovers, plastic and paper wrappers, industrial waste like construction waste, chemicals, and even nuclear waste poses to the environment. Local or municipal governments are tasked with the collection and management of waste but in a number of South African provinces, the rapid increase in waste production has outpaced the ability of municipalities to manage it safely and properly (Tahulela, 2017).

An important difficulty encountered in accomplishing this task is the lack of adapted infrastructures and resources (both human and physical), needed for effective waste management given the outdated disposal technologies, a shortage of skilled workers, insufficiency equipment, and the hefty costs tied to waste processing. As such, we often see improper disposal methods, such as open burning, which not only harm local environments but also add to overall emissions greenhouse gas. For example, solid waste management was responsible for about 3 to 5% of global emissions back in 2016, excluding emissions from transportation. In South Africa, the scale of the problem is alarming. In 2017, the country produced about 54.2 million tons of general waste, a significant increase compared to previous years, under scoring the urgent need for better waste governance and sustainable disposal systems (Mbazima et al., 2022; Verster & Bouwman, 2020).



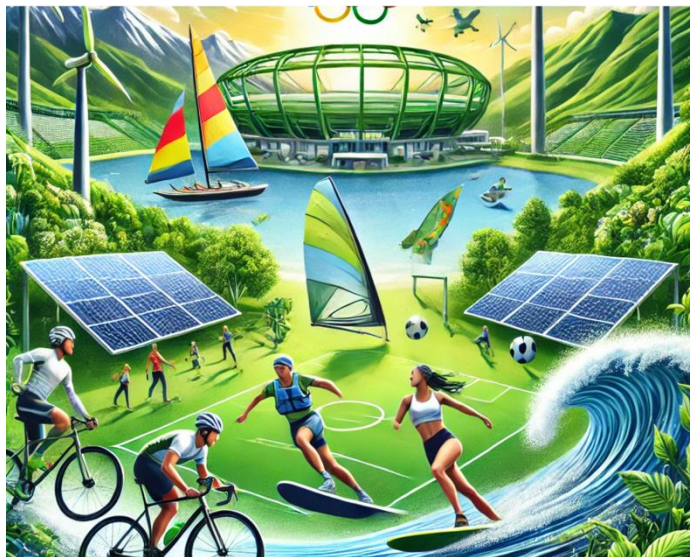
Poor waste management is a threat to health outcomes of the population as research shows that approximately 78% of residents near landfill sites report experiencing severe air pollution, largely due to offensive odours originating from waste decomposition (Njoku et al., 2019). Communities near landfill areas also exhibit higher incidences of health issues such as flu-like symptoms, eye irritation, and general fatigue as compared to others living further from these sites. For example, a study carried out by Luvhimbi et al. (2022) whose objective was to measure the levels of carbon dioxide, methane, and volatile organic compounds present near Rookraal land fill zone in the Gauteng Province showed concentration levels of the above-mentioned gases that exceeded further the World Health Organization's recommended thresholds, indicating hazardous air quality conditions in or around the landfill. Problems with waste management are also evident in the CCI&S. Some events like music festivals, sporting tournaments, and cultural gatherings do not provide proper waste management and sanitation infrastructure. This results in littering of bottles, beer cans, shattered tents, sleeping bags, plastic sheeting, newspapers, and human waste (Zafari & Golzary, 2023). The magnitude of this problem is exacerbated during mega events with a huge number of attendees.

Mindful of these environmental challenges facing South Africa, it is urgent to think of ways to reverse this trend and engage with actors whose voices can go beyond traditional policy discourse to taking proper engagement on the ground. Cultural creators, artists, and athletes have influential platforms that can change how the public sees sustainability and inspire concrete action on these critical issues (Curtis et al., 2012). We will see in the next lines how these sports and creative professionals can participate in environmental sustainability.

3.2.How Creative and Sports Professionals Can Participate in Environmental Sustainability

3.2.1. In Their Production Practices

The CCI&S professionals can play an important role in advancing environmental sustainability beyond providing leisure and entertainment, be it in their production practices, or via their influence and public engagement, which can help to achieve the sustainable development goals. Public figures and influential cultural contributors can through digital platforms they animate, influence public opinions, promote environment-conscious behaviours, and lead by example through sustainable practices and environment friendly actions within their respective industries. Through their choice of production methods and operational technics, professionals in the creative and sports industries can reduce their environmental impact.



Sports venues may lead the way in advancing sustainability using cutting-edge technologies by embracing green initiatives and putting eco-friendly designs into practice permitting to lessen carbon footprint, the Johan Cruyff Arena, Amsterdam's primary stadium and the home field of Ajax and the Dutch national team, for instance, use a number of sustainability initiatives. The recent Paris 2024 Olympic games introduced strategies to foster environmental sustainability by using 100% renewable energy sources and providing energy efficient public transportation.

Designers in the fashion industry are turning to organic fabrics like cotton and hemp, together with innovative uses of recycled textiles and producing garments that is long stay (Niinimäki et al., 2020). In South Africa, Sealand Gear brand is a local example as they crafting high quality bags and apparel from repurposed and recycled sailcloth and billboard materials. Visual artists are not left behind as they equally contributing to sustainability by incorporating discarded and reused materials into their creative processes. Contemporary South African artists, including Mbongeni Buthelezi, have gained recognition for transforming waste like melted plastic and other material into admirable artworks that spark reflection on the relationship between environmental sustainability and art work (Alexander, 2017).

In media production systems and apparatus, environmentally sensitive practices are gaining ground. Film and music studios are adopting 'green set' standards, which are instruments that energy efficient including the use of digital workflows, LED lighting, and installation of emissions tracking tech all to reduce their carbon footprints (Kääpä, P., & Vaughan, 2022). Many event organizers that gather crowds are now implementing low-impact ideas/technologies such as reducing single-use plastics, ameliorating recycling

infrastructure, and increasing at best the share of renewables in the energy mix at events venues (UNEP, 2020).

3.2.2. In Public Engagement and Influence

In addition to adopting sustainable practices in their production practices, creative and sports professionals hold considerable influence on public attitudes and behaviour. Through visual art, music, storytelling, or live performance cultural and sports professionals can spark emotional engagement and breakdown seemingly complex environmental issues/challenges into easy and relatable projections to a diverse audience. Art has an advantage over heavy scientific reports when it comes to public engagement and communicating to the masses since the former resonates deeply in the brain. As discussed in the work of Roosen, et al. (2018), art typically uses novel metaphors, analogies or narratives, which traditional climate



communication may not portray. Moreover, “art can provide people with visualizations of the problem and give them a personal experience with the subject-matter, which is especially important regarding climate change as many people still see it as an abstract issue that poses no direct threat. Art may also help to establish a group identity and to give people a sense of being supported in their efforts to help combat climate change” Roosen, et al., 2018 p. 2)

A recent paper on the application of new media in environmental art and design by Jiecheng (2023) shows that utilising video clips or animations, produced with the aid of technologies, such as 3D modeling software, virtual reality, projection mapping, et cetera could also be with photography, recording and music production to create an audio-visual expression, which will not only spark people's attention but can also facilitate understanding and trigger action.

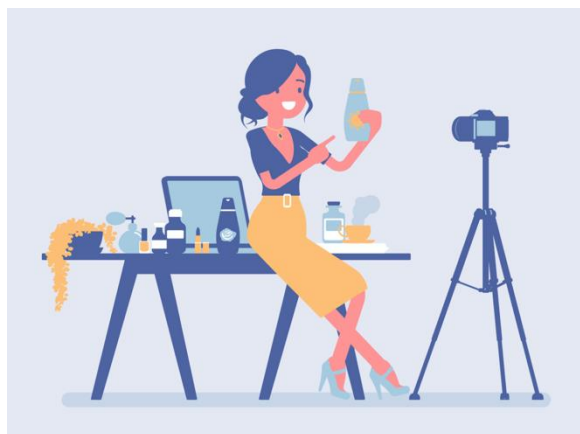
The need to combat climate change has been garnering increasing attention globally. This has involved

enhance empathy and joint actions in the fight against climate change since it plays the role of information provision and equal climate change awareness among the public or targeted audiences.

Transmedia Storytelling: The advancement in technological platforms has given rise to varied outlets such as films, podcasts, games, web content, etc. which help in communicating complex scientific research through varied formats and to a large number of individuals thereby enhancing immersion and fostering multisectoral interventions. For example, the VR series "This is Climate Change" integrates 360° documentaries on famine and forest destruction with complementary articles and social media campaigns, as a call to think and act upon (Medium, 2023).

Algorithmic Amplification: The algorithms of social media platforms like TikTok, Instagram, and Facebook, and personalization enabled by AI are capable of potentially hugely magnifying the reach and audience for climate news. Short-form climate content often shared on TikTok and Facebook Reels has served as an opportunity for climate activists to communicate their knowledge with a large audience helping not only to reach a wider network but to change the climate change narrative. Additionally, AI-driven chatbots such as ChatGPT serve as platforms for answering climate-related questions vital for the vulgarization of complex climate knowledge.

Role of influencers, viral campaigns, and creative emotional connection



The advent and the rise of social media platforms like Facebook and TikTok have given rise to influencers and viral campaigns that have helped communicate the climate message to a large audience in a clear and easy way. Today, global initiatives aimed at promoting climate action are promoted largely by the work of climate activist Greta Thunberg from Sweden through the movement tagged "Thunberg's Fridays for the future" which is now a global movement thanks to her use of Facebook (UNEP, 2020). They blog about their own lives, engage in question and answer sessions, and

press for policy changes but do all this as they establish a sense of responsibility and maintain it for their followers.

Social media messages and hashtag campaigns in the form of photos, memes, and short videos are also a major source of climate news for the public. For example "Thunberg's Fridays for the future" campaign went viral due to hashtag campaigns and other social media. They typically utilize some blend of emotional story and potent imagery to create the emotion power that appeals to the viewer. Viral content, fuelled by both urgency and compassion, encourages people to act, either by changing their lifestyle or becoming environmental activists.

Lastly, creative emotional connection created through social media platforms like Facebook and Instagram play a significant role in getting the climate message to a large audience. Climate messaging has been incorporated on these sites by climate-conscious people who are posting short clips and memes

on a regular basis in order to reach massive quantities of individuals. These new sites make hard problems like global warming more easily and conveniently accessible with a younger, digitally native generation.

Best practices and communication models for awareness and action

The role of digitalization in climate storytelling can thus not be overlooked based on our previous discussion which highlights the role in terms of awareness, participation, emotional attachment, and unanimous decision making. Through tools such as AR and VR, digitalization has vulgarized climate knowledge and created a more general sense of social responsibility in tackling climate-related issues. For best practices in turning climate awareness into meaningful action, the following are to be considered as key areas: *Firstly*, an effective climate communication strategy must be able to turn climate awareness into meaningful action. To achieve this, it is necessary to leverage evidence-based communication models and strategies capable of changing behaviours rooted in media studies, psychology, and sociology. *Secondly*, it is important to give more credence to value-based framing – a communication approach that involves framing climate messages to align with the needs and aspirations of the targeted audience. Research has shown that when climate messages are made to reflect the values of the targeted audiences, their adoption increases (Maibach et al., 2009). *Thirdly*, communication models such as "problem-solution-action" help in guiding audiences in a structured way that identifies the issues being addressed, the most optimal solutions, and a direct call for action. Additionally, participatory and dialogic models, where communities are involved in message creation and dissemination, have been shown to increase trust, relevance, and impact (Cox & Pezzullo, 2016).



4. Policy Considerations and Opportunities

The creative sectors, including media, digital storytelling, visual arts and craft, fashion, music, and design, are now more and more seen as the way forward in terms of promoting environmental sustainability. They need dedicated legislation to facilitate sustainable practice, facilitate inclusive digital transformation, and deliver strategic partnerships as an effort to release their potential. Three main policy areas where intervention is both necessary and effective are described in this section.

4.1. Incentives and frameworks for eco-friendly creative production.

Enhancing the performance of the creative sector for an ecologically friendly production necessitates the implementation of several key policies spanning a mix of regulatory reforms, tax incentives, and sector-specific guidelines. The application of these regulations builds an environmentally conscious society rooted in knowledge and culture.

- Subsidies should be given to enterprises using ecologically friendly means of production and distribution in the form of green subsidies and tax credits. This can include producers using creative techniques such as the use of biodegradable materials and renewable energy sources.
- Certification programs and eco-labels can equally be implemented to serve as incentives to those using environmentally friendly techniques. These labels can equally serve as key elements that will permit consumers to identify environmentally friendly products.
- For more eco-friendly production activities, it is equally vital to set up Sector-specific environmental standards or “green protocols” tailored for events, architecture, publishing, music festivals, and more.

4.2. Financing digital access, green infrastructure, and capacity building

Equity, inclusion, and resilience in creative sectors rely greatly on accessible infrastructure as well as a digitally literate and skilled workforce. Global South creatives and marginalized groups are disproportionately impacted by the near absence of these systems.

Development of the digital infrastructure: The expansion of the digital infrastructure such as investment in high-speed internet in underserved communities such as rural areas can enhance participation and eventual impact in the creative economy. Research has shown that communities with good internet access are often more receptive to scientific knowledge as internet tools permit them to access vital information (World Bank, 2021).

Establishing sustainable creative spaces: setting up spaces that value eco-conscious behaviour and collaboration help such as art hubs with wind energy, and studios that operate on sustainable architecture principles helps drive environmental consciousness among individuals to drive sustainability.

Valorising capacity building programs: training programs focused on areas such as digital literacy and content creation; eco-conscious design, production, and distribution; entrepreneurship, IP rights, and creative business models can help build knowledge and awareness.

4.3. Public-private partnerships to amplify sectoral impact

Public-Private Partnerships (PPPs) have provided a central vehicle with which to exploit the structural characteristics of the creative economy and move into scale sustainability. With the capacity to mobilize agglomeration of resources, risk-sharing, and convergence of innovation, PPPs provide a powerful instrument of sectorial change at scale. Green creative industries can be funded through investment in green infrastructure, sustainable cultural content can be initiated, and eco-responsible entrepreneurship can be made possible. The OECD (2020) has noted that PPPs play an important role in addressing the gap in funding as well as delivery challenges experienced by institutions, particularly those within the Global South.

With the innovation potential of the private sector and regulatory strength of the government, PPPs can develop mass-level initiatives such as climate-smart innovative campuses, low-carbon music and film festivals, or green music and film production houses. Co-investment collaboration among government departments, private music and film production houses, and philanthropic actors can finance green retrofitting of cultural infrastructure along with green energy-based production studios, for instance. Bakhshi and Throsby (2010) observe that collective systems of innovation are the defence wall upon which positioning sustainability within creative value chains, especially in fashion, design, architecture, and digital content creation sectors, occurs. PPPs also possess the ability to catalyze circular economy transformation by catalyzing markets for recycled creative materials and eco-art supplies.

PPPs form a significant element of economies of scale in market presence and visibility. Integrated communication efforts, green labelling and sustainability branding using PPPs can create more awareness among consumers as well as make environmentally sustainable products' competitive space on international platforms larger (UNESCO, 2021). Incentives are also offered by governments in the form of tax credits, co-branding efforts, and policy rewards, while private operators assist through finances as well

as technology's expertise. To be successful, however, PPPs must be grafted onto participatory governance systems that ensure transparency, citizen participation, and coordination with national planning in order to enhance sustainability (UNCTAD, 2022). Well-designed PPPs are not merely budget tools but drivers of cultural resilience and green innovation.

5. Methodology to estimate the economic contribution of the CCI&S

This document aims to evaluate the economic impact of the cultural, creative, and sports industries on South Africa's economy. The study further analyses the trade and cultural employment contribution of the CCI&S. This section discusses the approach to macroeconomic impact, trade, and cultural employment.

5.1. Economic Contribution Approach

Various economic models are used for such analyses. The Keynesian Multiplier Analysis (KMA), referenced by Lyons in 2022, assesses overall economic shifts triggered by changes within individual sectors. However, its aggregated approach does not permit a detailed sector-specific impact assessment, making it unsuitable for this study. The Input-Output (I-O) analysis, stemming from the Supply and Use Tables (SU-Tables), offers insights into the economic interdependencies among sectors. Yet, it doesn't capture transactions involving households or international entities, hence, it can't comprehensively fulfil the study's goals. Consequently, this study employs a macroeconomic impact model based on the Social Accounting Matrix (SAM), which expands upon the Systems of National Accounts (SNA). The SAM provides a comprehensive portrayal of all economic exchanges occurring within the economy over a specified timeframe.

5.1.1. The System of National Account

The SNA is a set of international guidelines used for the development of country's economic accounts. The statistics are reported to international organisations in a manner comparable across countries. The 2008 SNA, the most recent version, consists of a coherent, consistent, and integrated set of macroeconomic accounts, balance sheets, and tables. The 2008 SNA is based on a set of internationally agreed-upon concepts, definitions, classifications, and accounting rules. It provides a comprehensive accounting framework within which economic data can be compiled and presented in a format designed for purposes of economic analysis, decision-making, and policymaking.

In addition, the SNA provides an overview of economic processes, recording how production is distributed among consumers, businesses, government, and the rest of the world (foreign nations). It shows how income originating in production, modified by taxes and transfers, flows to these groups and how they allocate these flows to consumption, saving, and investment. Consequently, the national accounts are one of the building blocks of macroeconomic statistics forming a basis for economic analysis and policy formulation (UN Statistics Division, 2024).

Broadly, the SNA consists of:

- The Annual Financial Statistics;
- Labour Market Dynamics;
- General Household Survey;
- The Supply and Use Tables.
- Input-Output tables; and

- Social Accounting Matrix.

All the above-mentioned tables are used in the study to compile a Satellite Account for CCI&S. The statistics are briefly explained below.

5.1.1.1. Annual Financial Statistics

One of the main statistics used in the SNA is the Annual Financial Statistics (AFS) collected by Statistics South Africa (StatsSA). The AFS survey is collected to gather various financial data concerning enterprises within the formal business sector of the South African economy, with exclusions such as agriculture, hunting services, financial intermediation, insurance, pension funding, uncategorized business services, general government, and educational institutions. The information is compiled for the fiscal year of enterprises ending between July 1st of one year and June 30th of the subsequent year. The primary objective of the survey is to furnish data for GDP estimations.

The AFS is a valuable tool for industry analysis from both accounting and econometric perspectives. Its purpose lies in generating industry performance metrics based on financial statements. Survey outcomes contribute to GDP and component estimates. The statistics can also be used for comparative industry performance assessments, allowing enterprises to evaluate their operational efficiency against industry standards.

The statistical release contains information regarding:

- income and expenditure items;
- inventories;
- net profit before providing for company tax and dividends;
- company tax paid or provided for during the financial year;
- dividends paid or provided for during the financial year;
- statement of financial position items;
- property, plant and equipment, intangible and right-of-use assets;
- property, plant and equipment, intangible and right-of-use assets;
- investment property and right of use assets;
- selected operating ratios; and
- population size of enterprises per industry.

The published figures of the AFS were used to estimate the 2021 Production, GDP, and its components (compensation of employees, taxes, and subsidies) for the CCI&S. The information collected from the AFS is used intensely in the compilation of the CCI&S Satellite Account. It is important to highlight that the Annual Financial Statistics may not necessarily be comparable with other StatsSA surveys such as the Quarterly Financial Statistics Survey (QFS) and Quarterly Employment Statistics (QES) due to various parameters, including:

- Classification differences between survey periods;
- Restructuring of businesses;
- Different cut-off points for size groups; and
- Different specifications.

5.1.1.2. General Household Survey

The General Household Survey (GHS) serves as a comprehensive resource for evaluating the progress of development within South Africa. It is instrumental in assessing the effectiveness of various programs and the caliber of service delivery across key service sectors. The survey's demographic encompasses all private households in every one of South Africa's nine provinces. However, it excludes collective living quarters such as student dormitories, retirement homes, hospitals, prisons, and military barracks. As such, it provides data that is indicative of the experiences of non-institutionalized civilians and households, excluding those in military service. The GHS spans six principal domains: education; health and social development; housing; household access to services and facilities; food security; and agriculture. This breadth ensures a well-rounded understanding of the living conditions and service access within the country.

5.1.1.3. Labour Market Dynamics in South Africa

The Labour Market Dynamics (LMD) provides the patterns and trends of annual labour market results over a period. This report merges data from the Quarterly Labour Force Survey with the Quarterly Employment Statistics to provide a comprehensive overview. Its analytical focus is on the retention and transition rates within the labour market, both nationally and provincially. It also examines the demographic composition of the working-age population, taking into account various socio-demographic characteristics, including age, ethnic background, gender, and educational attainment. Furthermore, the report incorporates key labour market indicators such as the unemployment rate, labour absorption rate, and labour force participation rate. In addition, the GHS includes the unemployment rate, labour absorption rate and labour force participation rate.

5.1.1.4. Supply and Use Tables

The SNA also includes a consistent and integrated set of SU-Tables that provide a detailed analysis of the process of production, the use of products/goods and services, and the income generated in their production.

Application of SU-Tables

SU-Tables are often regarded as the cornerstone of the SNA, and have both statistical and analytical functions:

- **As a statistical tool**, they provide a coordinating framework for checking the consistency of economic statistics regarding flows of goods and services obtained from varying types of statistical sources. These include, but are not limited to industrial surveys, household surveys, investment surveys, and foreign trade statistics. Furthermore, the SU-Tables serve as a basis for calculating the economic data contained in the national accounts and for detecting weaknesses in economic data.

- **As an analytical tool**, the tables can be conveniently integrated into macroeconomic models to analyse the link and interaction between final demand and industrial output levels. This type of analysis, which is also known as impact analysis, enables researchers to use the tables for more sophisticated analysis, including market and productivity analysis.

In addition to their major statistical and analytical functions mentioned above, the SU-Tables have many additional uses. The following are some examples of the extended use of SU-Tables:

- **Derivation of GDP**

The production, income, and expenditure components of GDP can all be derived from the SU-Tables.

- **Production of Symmetric Input-Output Tables**

The SU-Tables form the basis for the estimation of I-O Tables, both at current (nominal) and constant prices. Symmetric I-O Tables can be used for various kinds of analytical purposes, including the analysis of:

- Production, and the structure of demand;
- Prices and costs;
- Employment;
- Investment and capital;
- Imports and exports;
- The environment; and
- Sensitivity analysis through the construction of (dynamic) output modeling.

5.1.1.5. Input-Output Tables

The I-O Tables describe the sale and purchase relationships between producers and consumers within an economy. They can either show flows of final and intermediate goods and services defined according to industry outputs (industry $\times$ industry tables) or according to product outputs (product $\times$ product tables). For the current study, I-O tables were used to compute the Satellite SAM for CCI&S. I-O tables can be used for macroeconomic modelling to generate the final demand totals. A simple, static I-O Model requires some exogenous means to estimate the final demand vector. Then the final demand vectors are used in conjunction with an I-O Table to produce forecasts/simulations of output changes.

5.1.1.6. Social Accounting Matrix

A SAM represents a snapshot of the economy in a specific year/period. It elaborates on the linkages between SU-Tables and institutional sector accounts. It elaborates the linkages between SU-Tables and institutional sector accounts. As stated earlier, a SAM is a presentation of an SNA in a matrix format that incorporates various degrees of detail that may be of special interest to users. To date, SAM builders have exploited these flexibilities to:

- Highlight special interests and concerns;
- Display the various interconnections that exist in the economy;
- Disaggregate the household sector; and
- Show the linkages between income generation and consumption.

The development of a SAM provides a framework within the context of the SNA in which the activities of all economic agents are accentuated and prominently distinguished. By combining these agents into meaningful groups, a SAM makes it possible to clearly distinguish between groups, to research the effects of interaction between groups, and to measure the economic welfare of each group.

There are two key reasons for compiling a SAM:

- Firstly, a SAM provides a framework for organising information about the economic and social structure of a particular geographical entity (e.g. a region) for a particular time (e.g. one calendar year).
- Secondly, to provide a database that can be used by any one of several different macroeconomic modeling tools to evaluate the impact of different economic decisions and/or economic development programs.

A SAM can be views as a circular flow. The concept of circular flows relates to a particular angle from which an economic system is viewed and traced. Various players exist in the system. The various productive sectors (i.e. the “activities”) in the economy act as producers and sellers of goods and services (i.e. the “commodities”) to institutions such as households, business enterprises, and the government (the “purchasers” of the commodities). For their part, households, enterprises, and the government act as sellers of factor services (labour and capital) to the various activities (“the “purchasers” of these factors”).

Table 1: Schematic Representation of a Social Accounting Matrix

Outputs		Intermediate Demand/Outputs	Final Demand/Outputs					Total Gross Outputs
Inputs		1 . . . j . . . n	C	G	I	S	E	
Intermediate Inputs	1	$x_{11} \dots x_{1j} \dots x_{1n}$	C_1	G_1	I_1	S_1		X_1
	.	.		E_1				
	.	.	QUADRANT II					
	.	.						
	i	$x_{i1} \dots x_{ij} \dots x_{in}$						X_i
	.	.						
	.	.						
	.	.	C_i	G_i	I_i	S_i		
	.	.		E_i				
	n	$x_{n1} \dots x_{nj} \dots x_{nn}$						X_n
			C_n	G_n	I_n	S_n		
				E_n				

Primary Inputs	W T P M	W_1 T_1 P_1 M_1	W_j T_j P_j M_j	W_n T_n P_n M_n	-	V_C	V_G	V_I	V_S	V_E	W T P M
		QUADRANT III			QUADRANT IV						
Total gross Inputs		X_1	X_j	X_n	C	G	I	S	E		Z

Quadrant I represent the intermediate inputs which at the same time are intermediate outputs. Quadrant 1, usually referred to as the transaction table or transaction matrix, displays the flow of goods and services among the various sectors for purposes of production. This flow of goods and services flow is normally regarded as intermediate in nature. From left to right each row depicts (in Rand value) the goods and services which the producing sectors sell to themselves and to other sectors for application in their specific production processes. In each column, appear purchases, i.e. inputs, by a specific sector (in Rand value) from other sectors. For example, the term x_{ij} indicates sales/outputs from sector i to sector j or “conversely” the purchases/inputs of sector j from sector i.

Quadrant II shows the final demand for locally produced goods and services on a sectoral basis, classified according to the main consuming sector. The final demand components are indicated by the symbols C, G, I, S and E where:

Symbol	Definition
C	Final sales/output from the different sectors to households.
G	Current purchases by the government sector from the different sectors.
I	Gross domestic fixed investments (sales/outputs by the different sectors) which are regarded as capital goods.
S	Changes in inventories during the period covered by the table. The relevant figure can have either a positive or negative value, depending on whether inventories increased or decreased in the various sectors. The changes in savings in the Input-Output Table denote the total change of a specific product irrespective of the sector of the economy where the changes occurred.
E	Exports by the different sectors.

Quadrant III reflects the remuneration of labour, the gross operating surplus, the net indirect taxes and the intermediate imports for each sector, thus the primary inputs. It represents gross value added (the portion of gross domestic product which originates from each of these sectors), as well as each sector’s intermediate imports. The symbols used to indicate the various types of primary inputs are as follows:

Symbol	Definition
W	Remuneration of employees, i.e. the purchase of labour services from households by each sector.
T	Indirect tax/payments by the various sectors to the government. This is usually shown as a net figure, for example taxes less subsidies.
P	Gross operating surplus (before direct tax) of each sector, which includes provision for depreciation and undistributed profits.
M	Each sector's intermediate imports applied as raw materials or parts in production processes. The imports by a specific sector also refer to the imports of other sectors from which raw materials are purchased.

Quadrant IV shows purchases/inputs by final consumers from primary sources, for example, direct purchases/inputs of labour services (domestic workers) which form part of consumer expenditure, and remuneration to employees in the government sector. The indirect taxes and subsidies included in the final demand and depreciation on fixed government assets are also depicted in Quadrant IV. The horizontal V-vector in quadrant IV represents the total value of the various types of primary inputs which were purchased by each final demand component.

The X-row vector at the bottom as well as the X-column vector on the right-hand side of the Input-Output Table, represent the total gross inputs and total gross output (total production) respectively for the various sectors. As the total inputs for a particular sector are also equal to its total outputs, each x_i in the total gross inputs row should be equal to the corresponding x_i in the total gross output column. This condition, however, does not apply to the final demand and primary input components. Although it appears as if the primary input and the final demand components are related, (for example, payments to employees in relation to private consumer expenditure and net indirect taxes in relation to consumption expenditure by general government) they are not equal. A condition which applies to the final demand and primary input components is that the total final demand transactions should balance the total primary inputs.

In the table above, the total gross outputs and the total gross inputs are associated by the common symbol Z. Z can be defined as the sum of all intermediate sales/outputs as well as sales/outputs to final consumers or, in terms of inputs, the sum of all intermediate and primary inputs. Z is calculated by adding up the figures in the total gross output column or in the total gross input row. However, this figure is not of much value, but it will be referred to in the formal presentation in the following section.

It is important to note that the total gross output is not the same as the GDP. The total gross outputs measure all transactions (intermediate as well as final demand transactions) that occur in a given year. A product can be counted more than once, resulting in double or multiple-counting. The GDP on the contrary, avoids double counting and measures only the production for a given year. Both the GDP and the expenditure on GDP can be read from the input-output table. The GDP is the total of primary inputs less imports, and expenditure on GDP is the same as final demand.

The superiority of the SAM compared to other models is its ability to incorporate the SU-table, the households, capital, and the rest of the world. Households are an important part of the economy, where decisions like consumption and savings are made. The cultural, creative, and sports industries are consumption-intensive industries, hence it is important to incorporate the consumers, who are households. It is this characteristic of the SAM that has made it popular as the database of preference for multi-sector economic models that are used to assess the economic implications of policy changes (or shocks). For example, a SAM is used as a database for more sophisticated models like the General Equilibrium Model (CGE). However, SAM models have limitations. They are static in nature, so impacts do not vary over time. Nonetheless, with a SAM it is possible to tailor the matrix to suit the problem at hand at the time.

Double-Entry Bookkeeping

A SAM can be seen as a double-entry bookkeeping system in the sense that demand and supply (columns and rows) must add up to each other in the end, i.e. for every supply in the system, there must be a related demand. This is like the basic accounting principles of debits and credits, in that every transaction in one account must have an equal but opposite entry in the same or another account. Because the SAM deals with economic transactions, it captures the monetary value of economic transactions and organises them into a series of “accounts”. Six major types of accounts form the basis of a SAM:

- **Activity Accounts** capture the value of products/goods and services produced in an economy.
- **Commodity Accounts** capture the value of products/goods and services traded in an economy.
- **Factor Accounts** capture the value of payments made to the essential factors of production (e.g. labour, capital).
- **Institutional Accounts** capture the value of transactions by business enterprises, households, and government.
- **Capital Accounts** reflect savings and investments.
- **Foreign Trade Accounts** capture the value of imports and exports.
-

5.1.2. The Process of Compiling a SAM

There are essentially two different approaches that have been used by practitioners in compiling a SAM: a "top-down" approach, and a "bottom-up" approach. The bottom-up approach can be thought of as an inductive approach to the gathering of relevant information, whilst the top-down approach is more deductive as it tends to start from controlled totals in national income accounts (Thorbecke, 1995). The proponents of the top-down approach maintain that, in all cases, the starting point should be the building of a highly-aggregated SAM based on the country's national accounts statistics.

Nonetheless, there is no standard classification scheme or way of disaggregating and organising the data in a SAM – although the most recent 2008 SNA provides useful guidelines. The taxonomy used in any given SAM depends on the prevailing region-specific characteristics, as well as the objectives of the study underlying the building of the SAM. In a SAM that emphasises inter-sectoral linkages, the level of disaggregation of activities needed to capture the structure of production is likely to be much smaller in poorer developing regions than in richer industrialised regions. A SAM that is supposed to be used as a

basis for exploring income distribution issues requires a finer disaggregation of socio-economic household groupings than one not highlighting income distribution. An advantage of the SAM is that it explicitly breaks down households into relatively homogenous socio-economic categories that are recognisable for policy purposes, and exhibit relatively stable characteristics. This type of disaggregation allows the SAM to be used to analyse the effects of government policies on income distributions.

A variety of data sources are required to build a SAM. Because the methods used in collecting and generating statistics differ significantly from one source to another (e.g. national income accounts, I-O Tables, census information, multi-purpose household surveys, surveys of enterprises, balance of payments statistics, public finance data), the process of building a SAM provides a natural check on the mutual consistency of the sources, and identifies potential data gaps and errors.

5.1.3. Economic Multipliers

Multipliers attempt to measure the magnitude and reach of the effect that an autonomous adjustment in a certain economic variable (for example, exports) has on other economic metrics like production or employment. Samuelson (1970) articulated the multiplier effect as the factor by which a change in investment needs to be multiplied to derive the resultant variation in income.

Expanding on this concept to encompass a broader range of applications, terms like investment and income can be replaced with other independent and dependent variables, such as those relating to job creation.

This study has calculated a range of economic multipliers, detailed as follows:

- **GDP Multipliers:** These are calculated by dividing the value added in the economy by the total production. Value added represents the economic value that each sector contributes at different production stages within the South African economy, aimed at avoiding double counting and assigning each sector its share of the national GDP. It's derived by subtracting the cost of intermediate goods from a sector's revenue, comprising employee remuneration, gross operating surplus (including profits and depreciation), and net indirect taxes. Value added is crucial for assessing macroeconomic efficiency, especially for policymakers focused on sustained economic growth.
- **Labour Multipliers:** These are determined by the ratio of employment creation to production. This metric underscores the role of labour in the production process and quantifies each sector's contribution to job creation, which is instrumental in poverty reduction efforts.

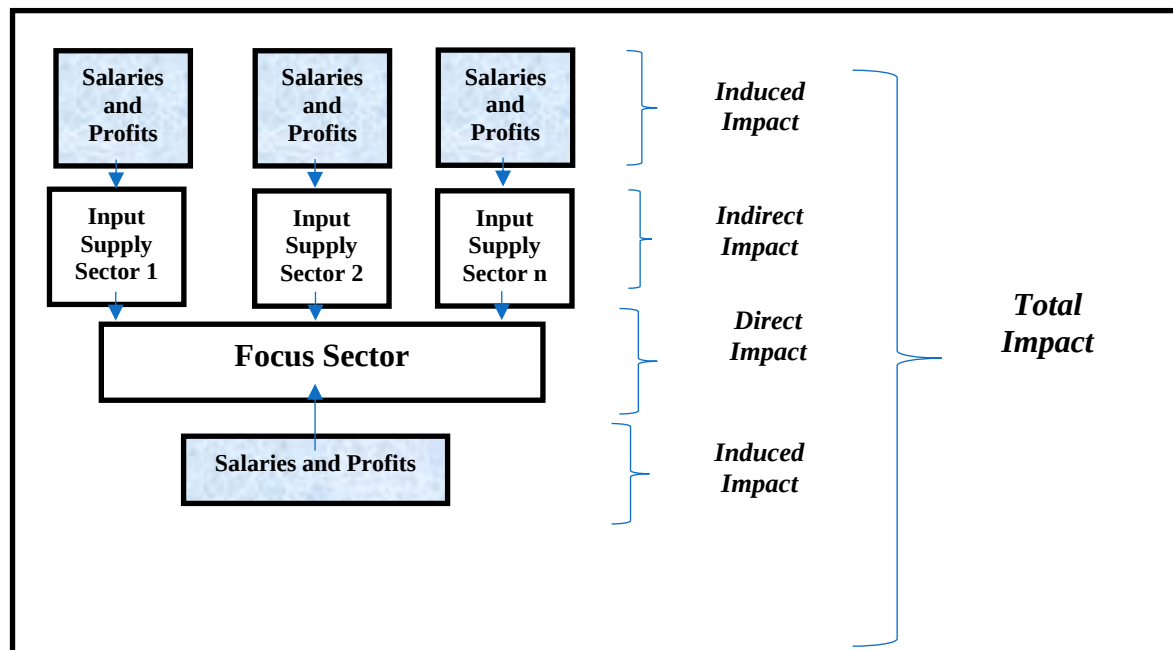
- a) GDP Multipliers:** These are calculated by dividing the value added in the economy by the total production. Value added represents the economic value that each sector contributes at different production stages within the South African economy, aimed at avoiding double counting and assigning each sector its share of the national GDP. It's derived by subtracting the cost of intermediate goods from a sector's revenue, comprising employee remuneration, gross operating surplus (including profits and depreciation), and net indirect taxes. Value added is crucial for assessing macroeconomic efficiency, especially for policymakers focused on sustained economic growth.

- b) **Labour Multipliers:** These are determined by the ratio of employment creation to production. This metric underscores the role of labour in the production process and quantifies each sector's contribution to job creation, which is instrumental in poverty reduction efforts.

Calculation of Direct, Indirect & Induced Multipliers

This study determines direct, indirect, and induced economic multipliers for the various economic sectors. The figure below describes the process of calculating multipliers.

Figure 2: Schematic Representation of Direct, Indirect and Induced Impacts



Direct Multipliers

The direct multiplier measures the direct impact emanating from a particular sector on itself. For instance, the direct multiplier will measure how an increase in the production of a particular sector will effect employment within the same sector. These direct impacts are most closely related to the sector and, as such, are probably the most important impacts from a strategic planning point of view.

Indirect Multipliers

Indirect multipliers reflect the impacts that a particular sector will have on all other industries that supply inputs (materials) for the operations taking place in the sector. These 'backward linkages' are important as they measure the broader impact that changes in the direct sector will have on the economy. Frequently, these indirect impacts are very significant, and may even exceed the direct impacts themselves.

Induced Multipliers

Economic impacts will result from the paying out of salaries and wages to people who are employed in a particular activity, as well as the salaries and wages paid by businesses operating in the sectors indirectly

linked to this sector due to the supply of inputs. These additional salaries and wages lead to an increased demand for various consumable goods that need to be supplied by various economic activities throughout the broader economy. These induced impacts can be considerable and are measured by using induced multipliers.

5.2. Introduction to the Satellite Account

In the context of national accounts, a satellite account is a framework used to provide additional information and detail on specific economic or environmental activities that are not part of the core national accounts. Satellite accounts can complement the central accounts and allow for the integration and linking of economic and environmental data. They are called "satellite" accounts because they are designed to be consistent with the central accounts (like the System of National Accounts or SNA), yet they orbit around and extend these accounts by focusing on areas of interest.

Satellite accounts can cover a wide range of topics such as tourism, health, education, and the environment. For example, an environmental satellite account might detail the use of natural resources and environmental costs associated with economic activities, providing insights into sustainable development and economic-environmental policies. Similarly, a tourism satellite account could provide detailed information on the economic impact of tourism, including expenditure, employment, and the contribution of tourism to GDP.

These accounts are useful for policymakers, researchers, and businesses as they offer a more detailed view of specific sectors or activities, enabling better-informed decisions and strategies. Satellite accounts adhere to the same conceptual framework as the central accounts, ensuring coherence and comparability of data. The cultural, creative, and sports industry is such an account, which is not explicitly reported in the SAM for South Africa. To address this shortcoming, a satellite account matrix for the CCI&S was built by disaggregating the CCI&S outside the SAM, and then linking it back to the SAM in the required disaggregated format.

5.2.1. The Process of Creating a Satellite Account for the Cultural, Creative, and Sports Industries in South Africa

A SAM that incorporates an internal Satellite Account for the South African Cultural, Creative Industries, and Sports and Recreation was compiled to estimate the macroeconomic impact of CCI&S in terms of various macroeconomic variables such as GDP, capital formation, income distribution, and employment. The underlying assumption is that the Cultural, Creative Industries, and Sports sectors can be extracted from the national account sectors and be seen as a separate sector in the economy. The development of a Satellite Account for South Africa's Cultural, Creative, and Sports Industries (CCI&S) follows a structured approach to evaluate their macroeconomic impact, including assessments of GDP, capital formation, income distribution, and employment. This process involves delineating the CCI&S sectors as distinct entities within the economy, separate from traditional national account sectors. Utilizing the 2009 UNESCO Framework for Cultural Statistics (FCS), which aligns with international and national standards

through a comprehensive global consultation, the account for CCI&S is then integrated into a Social Accounting Matrix (SAM). This integration aids in quantifying the sectors' economic contributions.

The steps followed to build the CCI&S Satellite Account are as follows and defined further in sections below.

Figure 3: Steps to Build the CCI&S Satellite Account

Step 1	Step 2	Step 3	Step 4	Step 5
Identification of Cultural Domains and Sub-domains using the most recent UNESCO Framework for Cultural Statistics (FCS).	Matching the Annual Financial Statistics (AFS) sectors to UNESCO Framework.	Determine the annual production of the Cultural Domains from the AFS report.	Breaking down the production control total of Cultural Domains between intermediate demand and the Value Added (Income side) and intermediate demand and the final demand (expenditure side).	Disaggregating the income and expenditure side of the CCI&S in the sub-domain level.

By following these steps, a comprehensive CCI&S Satellite SAM is constructed, which is then utilized in macroeconomic models to gauge the influence of CCI&S domains on key economic indicators. This structured procedure ensures a precise measurement of the cultural, creative, and sports sectors' contributions to the broader South African economy.

5.2.2. Identification of Cultural Domains and Sub-domains using the most recent UNESCO Framework for Cultural Statistics

The first step to building a Satellite Account for CCI&S involved examining the UNESCO classification of cultural domains and to determine to what extent the Annual Financial Statistics could be used to match this definition, and possible adaptations needed. The table below illustrates the 2009 UNESCO framework for the Cultural, Cultural, and Sports Industry, which consists of 8 domains and 49 sub-domains. The CCI&S structure below has been used in the model.

Table 2: 2009 UNESCO Framework for Cultural Statistics

Cultural Domains	SIC 7/ ISIC 4.1	Cultural and Creative Industry Activities
A. Cultural & Natural Heritage	9000	Creative, Arts & Entertainment Activities
	9102	Museums Activities & Operation of Historical Sites & Buildings
	9103	Botanical & Zoological Gardens & Nature Reserves Activities
	4774	Retail Sale of Second-Hand Goods
B. Performance & Celebration	9000	Creative, Arts & Entertainment Activities
	3220	Manufacture of Musical Instruments
	5920	Sound Recording & Music Publishing Activities

	4762	Retail Sale of Music & Video Recordings in Specialized Stores
C. Visual Arts & Crafts	9000	Creative, Arts & Entertainment Activities
	7420	Photographic Activities
	5819	Other Publishing Activities
	3211	Manufacture of Jewelry & Related Articles
	7220	Research & Experimental Development on Social Sciences & Humanities
D. Books & Press	9101	Library & Archives Activities
	5811	Book Publishing
	5813	Publishing of Newspapers, Journals & Periodicals
	5819	Other Publishing Activities
	4761	Retail Sale of Books, Newspapers & Stationary in Specialized Stores
	6391	News Agency Activities
	6399	Other Information Service Activities N.E.C.
	4649	Wholesale of Other Household Goods
	9000	Creative Arts & Entertainment Activities
E. Audio-Visual & Interactive Media	5820	Software Publishing
	5911	Motion Picture, Video & Television Programme Production Activities
	5912	Motion Picture, Video & Television Programme Post- Production Activities
	5913	Motion Picture, Video & Television Programme Distribution Activities
	5920	Sound Recording & Music Publishing Activities
	5914	Motion Picture Projection Activities
	6010	Radio Broadcasting
	6020	Television Programming & Broadcasting Activities
	6312	Web Portals
	7722	Renting of Video Tapes & Disks
	6391	News Agency Activities
	4762	Retail Sale of Music & Video Recordings in Specialized Stores
F. Design & Creative Services	4791	Retail Sale Via Mail Order Houses or via the Internet
	7410	Specialized Design Activities
	7110	Architectural & Engineering Activities & Related Technical Consultancy
G. Related domains/Sports and recreation	7310	Advertising
	5520	Camping grounds, recreational vehicle parks and trailer parks
	7721	Renting and leasing of recreational and sports goods
	9311	Operation of sports facilities
	9312	Activities of sports clubs
	9319	Other sports activities
	9200	Gambling and betting activities
	9321	Activities of amusement parks and theme parks
	9329	Other amusement and recreation activities n.e.c.
	9609	Other personal service activities n.e.c.
H. Transversal domains/Cultural Education	8541	Sports and recreation education
	8522,	Technical and Vocational Secondary Education; and Higher Education
	8530 and 8542	

Source: UNESCO Institute for Statistics (2009).

5.2.3. Matching the Annual Financial Statistics sectors to UNESCO Framework

It is very difficult to obtain published figures for the Cultural, Creative and Sports Industry at sub-domain level because most cultural and creative industries' activities take place in the SMMEs sector and some of

the CCI&S activities are imbedded in other sectors. For example, the activities of graphic designer for a motor industry are generally reported under the automotive sector. To address this issue, the UNESCO framework domains were harmonised with the AFS to derive the CCI&S production from the national production.

The production figures published in the AFS represent the total economy’s production. To derive the proportion of the CCI&S production, percentage distributions were applied from the total economy’s production. Because some CCI&S activities are embedded in other sectors, percentage distributions were applied to the total economy’s production wherever necessary to derive the proportion of the CCI&S production. The percentage distributions applied were calculated from the Supply - Use Tables. Three methods were used to extract CCI&S production values from the Annual Financial Statistics. These are:

Figure 4: Method used to extract CCI&S production values from the Annual Financial Statistics



The table below illustrates the matching of the AFS and the UNESCO classification to determine the cultural sub-domains production.

Table 3: Matching AFS and UNESCO Framework

Cultural Domains	SIC 7/ ISIC 4.1	Cultural and Creative Industry Activities	Direct Method (100% Correspondence)	Direct Method (less than 100% Correspondence)	Indirect Method
A. Cultural & Natural Heritage	9000	Creative, Arts & Entertainment Activities		AFS:6239: Other retail trade in specialised store- 1%	
	9102	Museums Activities & Operation of Historical Sites & Buildings	SANPARKAFS	AFS: 2016	
	9103	Botanical & Zoological Gardens & Nature Reserves Activities		AFS:9631; 9632; 9633: Library and archives activities; museum activities and preservation of historical sites and buildings; botanical and zoological gardens and -80%	
	4774	Retail Sale of Second-Hand Goods	AFS: 6240: Retail trade in second-hand goods in stores		
B. Performance & Celebration	9000	Creative, Arts & Entertainment Activities	AFS: 9614: Dramatic arts, music and other arts activities/9649: Other recreational activities		
	3220	Manufacture of Musical Instruments		AFS:3922; 3930: Manufacture of musical instruments; other manufacturing n.e.c.-5%	
	5920	Sound Recording & Music Publishing Activities		AFS:3243; 3249: Publishing of recorded music; other publishing-70%	
	4762	Retail Sale of Music & Video Recordings in Specialized Stores		HCS: VCDs (excluding software and video games; including pre-recorded and unrecorded VCDs)-10%/DVDs (excluding software and video games, including pre-recorded and unrecorded DVDs)-10%/Compact disks- CDs (excluding software and video games; including pre-recorded and unrecorded disks)10%	

C. Visual Arts & Crafts	9000	Creative, Arts & Entertainment Activities		AFS:3922; 3930:Manufacture of musical instruments; other manufacturing n.e.c.-2%	
	7420	Photographic Activities	AFS:8894:Photographic activities		
	5819	Other Publishing Activities		AFS:3241;Publishing of books, brochures, musical books and other publications-27%	
	3211	Manufacture of Jewellery & Related Articles	AFS:3921;Manufacture of jewellery and related articles		
	7220	Research & Experimental Development on Social Sciences & Humanities	AFS:8720;Research and experimental development on social sciences and humanities		
D. Books & Press	9101	Library & Archives Activities		AFS:9631; 9632; 9633;Library and archives activities; museum activities and preservation of historical sites and buildings; botanical and zoological gardens and nature reserve activities-3%	
	5811	Book Publishing		AFS:3241;Publishing of books, brochures, musical books and other publications-73%	
	5813	Publishing of Newspapers, Journals & Periodicals	AFS:3242;Publishing of newspapers, journals and periodicals		
	5819	Other Publishing Activities		SU-tables: Other Publishing-50%	
	4761	Retail Sale of Books, Newspapers & Stationary in Specialized Stores		HCS:Magazines and periodicals-90%/Newspapers - daily weekly-90%/Books-90%	

	6391	News Agency Activities		AFS:9619; 9620;Other entertainment activities n.e.c.; news agency activities-44%	
	6399	Other Information Service Activities N.E.C.		AFS:9619; 9620;Other entertainment activities n.e.c.; news agency activities-18%	
	4649	Wholesale of Other Household Goods		HCS:Magazines and periodicals-10%/Newspapers - daily weekly-10%/Books-10%	
	9000	Creative Arts & Entertainment Activities		AFS:9909;Other service activities n.e.c.-2%	
E. Audio-Visual & Interactive Media	5820	Software Publishing		AFS:862;Software consultancy and supply-3%	
	5911	Motion Picture, Video & Television Programme Production Activities		AFS:9613;Radio and television activities-10%/9611;Motion picture and video production and distribution-80%	
	5912	Motion Picture, Video & Television Programme Post- Production Activities		AFS:9613;Radio and television activities-5%/9611;Motion picture and video production and distribution-10%	
	5913	Motion Picture, Video & Television Programme Distribution Activities		AFS:9613;Radio and television activities-5%/9611;Motion picture and video production and distribution-10%	
	5920	Sound Recording & Music Publishing Activities		AFS:3243; 3249;Publishing of recorded music; other publishing-30%	
	5914	Motion Picture Projection Activities	AFS:9612;Motion picture projection		
	6010	Radio Broadcasting		AFS:9613;Radio and television activities-39%	
	6020	Television Programming & Broadcasting Activities		AFS:9613;Radio and television activities-41%	
	6312	Web Portals		AFS:862;Software consultancy and supply-9%	
	7722	Renting of Video Tapes & Disks		AFS:8530;Renting of personal and household goods n.e.c.	

	6391	News Agency Activities		AFS:9619; 9620;Other entertainment activities n.e.c.; news agency activities-21%	
	4762	Retail Sale of Music & Video Recordings in Specialized Stores		HCS:VCDs (excluding software and video games; including pre-recorded and unrecorded VCDs)-90%/DVDs (excluding software and video games, including pre-recorded and unrecorded DVDs)-90%/Compact disks- CDs (excluding software and video games; including pre-recorded and unrecorded disks)90%	
	4791	Retail Sale Via Mail Order Houses or via the Internet		AFS:6251; 6252; 6259;Retail trade via mailorder houses; retail trade via stalls and markets; other retail trade not in stores-1%	
F. Design & Creative Services	7410	Specialized Design Activities			AFS:3112:Finishing of textiles-1%/3121:Manufacture of made-up textile articles, except apparel-3%/3130:Manufacture of knitted and crocheted fabrics and articles-3%/3140; 3150:Manufacture of wearing apparel; dressing and dyeing of fur; manufacture of articles of fur-2%/8831:Advertising-11%/862:Software consultancy and supply-5%/3241:Publishing of books, brochures, musical books and other publications-12%/3242:Publishing of newspapers, journals and periodicals-12%/3243; 3249:Publishing of recorded music; other publishing-34%/9611:Motion picture and video production and distribution-24%/9613:Radio and television activities-8%

	7110	Architectural & Engineering Activities & Related Technical Consultancy		AFS:8821;Architectural and engineering activities and related technical consultancy-70%	
	7310	Advertising		AFS:8831;Advertising-70%	
G. Sports and Recreation	5520	Camping grounds, recreational vehicle parks and trailer parks		AFS 9649 Other recreational activities – 18%	
	7721	Renting and leasing of recreational and sports goods		AFS 9649 Other recreational activities – 14%	
	9311	Operation of sports facilities	AFS 9641 Sporting activities		
	9312	Activities of sports clubs		AFS 9649 Sporting activities – 9.5%	
	9319	Other sports activities		AFS 9649 Sporting activities – 10%	
	9200	Gambling and betting activities		AFS 9649 Other recreational activities – 20%	
	9321	Activities of amusement parks and theme parks		AFS 9649 Other recreational activities – 8.2%	
	9329	Other amusement and recreation activities n.e.c.		AFS 9649 Other recreational activities – 6%	
	9609	Other personal service activities n.e.c.		AFS 9649 Other recreational activities – 7.8%	
	8541	Sports and recreation education		AFS 9649 Sporting activities – 6.5%	
TRANSVERSAL DOMAINS Cultural Education ¹⁹	8522*	Technical and vocational secondary education*			
	8530*	Higher education*			
	8542	Cultural education			

Source: UNESCO Framework, Supply-Use Tables, and the AFS Report

5.2.4. Distribution of production control total of CCI&S

After estimating the total production of each sub-domain from the Annual Financial Statistics, the total production for each sub-domain is disaggregated into:

- Intermediate demand and value added for the supply side of the satellite account.
- Intermediate demand and final demand on the demand/expenditure side.

The distribution for the supply side (intermediate demand and value added) used the 2021 AFS whilst the structure for the demand side (intermediate demand and the final demand) used the 2018⁴ Use Table.

Below is an example of the distribution of the total production for the supply and demand side, respectively.

Table 4: Production distribution of Other Information Service Activities (Manufacture of Musical Instruments, photographic activities, book publishing) – Income side

Intermediate demand	Value added				Total
	Labour remuneration (Salaries & Wages)	Gross operating surplus	Government Indirect tax	Government subsidy	
44.8%	32.3%	17.5%	2.8%	2.6%	100%

Table 5: Production distribution of Other Information Service Activities – Expenditure side

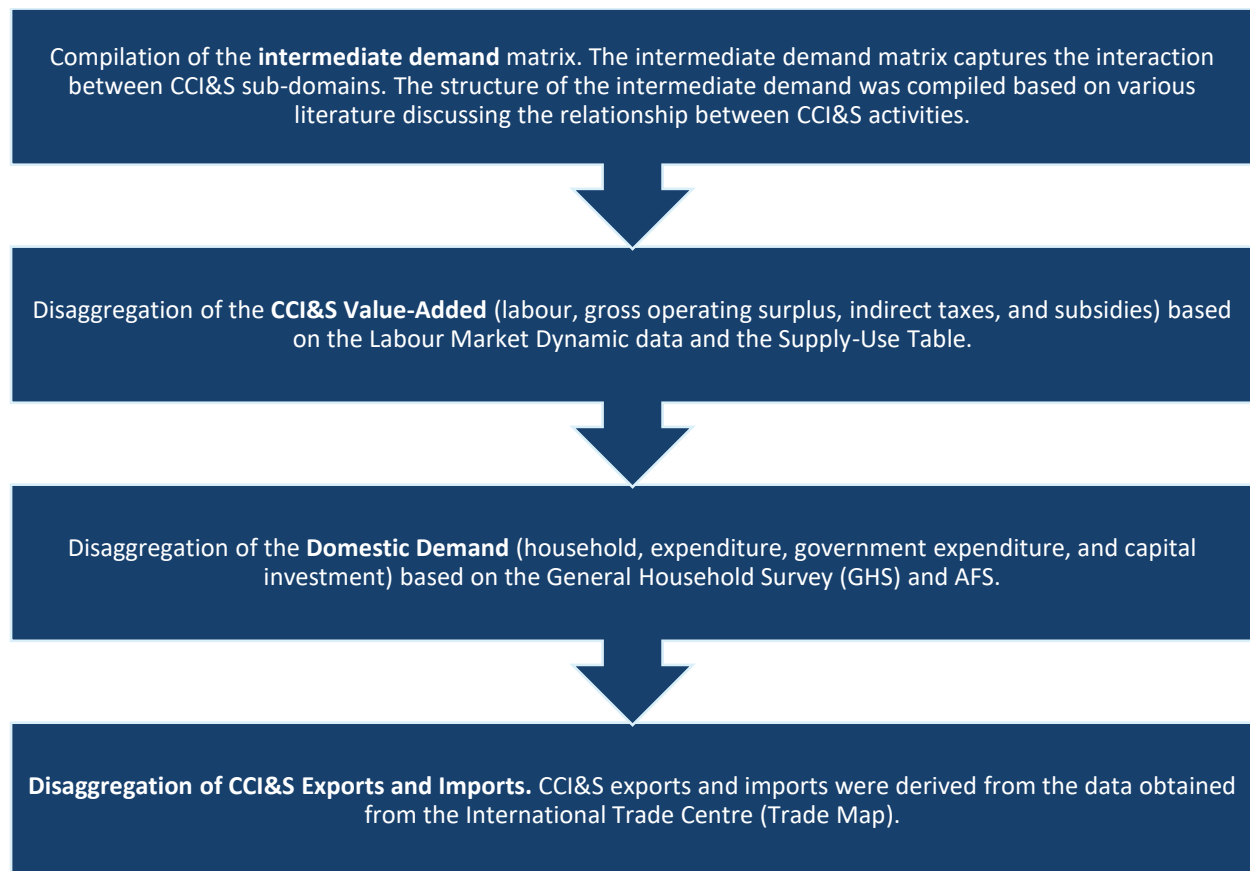
Intermediate demand	Household Expenditure	Government	Capital Investment	Total
33.0%	55.1%	11.9%	0.0%	100%

5.2.5. Disaggregating the income and expenditure side of the CCI&S at sub-domain level

The disaggregation of the income and expenditure side of the CCI&S at sub-domain level was done using the following algorithm:

⁴ The 2020 Use Table was released post the finalisation of the modelling process.

Figure 5: Disaggregation of the income and expenditure side of the CCI&S at sub-domain level



The table below illustrates the matrix that includes the satellite account for the Cultural, Creative and Sports industries once completed.

Table 6: A National Accounting Matrix Framework for South Africa⁵

NATIONAL ACCOUNTING MATRIX FOR SOUTH AFRICA

			Activities		Commodities		Factor Payments		Enterprises	Households	Government Account			Capital Account		Rest of the World			Capital	Total
			CCI&S - Activities	Rest of sectors - Activities	CCI&S - Commodities	Rest of sectors - Commodities	Labour	Capital (GOS) - Net Operating Surplus plus	Public and Private Enterprises -	Households	Central Government	Provincial Government	Local Government	General Government	All Other Sectors (incl. Public)	Factor Payments	Goods & Services	Transfers	Capital	
			1		2		3	4	5	6	7			8		9				
Activities	1	CCI&S - Activities			P												E(RoW)			g
		Rest of sectors - Activities			P												E(RoW)			g
Commodities	2	CCI&S - Commodities	X							C	G	G	G	I	I					q
		Rest of sectors - Commodities	X	X						C	G	G	G	I	I					q
Factor Payments - Labour	3	Labour	Wa	Wa							Wg-	Wg-	Wg-			We(RoW)				eL
Factor Payments - Capital	4	Capital (GOS) - Net Operating Surplus plus Consumption of Fixed Capital	Fa	Fa												Fe(RoW)				ec
Enterprises	5	Public and Private Enterprises - Enterprise Income Received						Qe			TrgE	TrgE	TrgE							Zu
Households	6	Households					L		Qv	TrhH1	TrgH1	TrgH1						TrrH(RoW)		ZH
National Government	7	Property income						Tf												ZG
		Transfers							Tu	Td	TrgG	TrgG	TrgG					TrrG(RoW)		ZG
		Direct tax							Tu	Td										ZG
		Indirect tax	Ti	Ti	Ta	Ta														ZG
		Subsidies	Su	Su	Su	Su					TrgG	TrgG								EG
Capital Account	8	General Government									Sg	Sg	Sg							ZC
		All Other Sectors (incl. Public Corporations)							Quv	Sh										ZC
Rest of the World	9	Factor Payments					Wl(RoW)	Qr\$(RoW0			TrhH2(RoW)									ZA(RoW)
		Goods & Services			M(RoW)	M(RoW)					TrgH2(RoW)	TrgH2(RoW)	TrgH2(RoW)							ZA(RoW)
		Transfers								TrhH2(RoW)	TrgH2(RoW)	TrgH2(RoW)	TrgH2(RoW)							ZA(RoW)
Balance on Current Account	10	Balance on Current Account																	Sa(RoW)	ZA(RoW)
Capital		Capital												Sa(RoW)	Sa(RoW)					ZA(RoW)
		Total	g	g	q	q	eL	ec	ZU	ZH	ZG	ZG	ZG	ZC	ZC	ZA(RoW)	ZA(RoW)	ZA(RoW)	ZC	

⁵ A glossary of the matrix can be found in Appendix 1

5.3. Macroeconomic Impact Assessment Model

Once the satellite account is completed, the outputs of the satellite account are converted into the MEIA model to estimate the economic contribution of the CCI&S. The MEIA is a linear model and can therefore be solved in terms of matrix algebra according to the standard equations:

$$q = (I - A)^{-1} \times f$$

Where:

q	=	Sectoral production
(I-A) ⁻¹	=	Inverted intermediate demand coefficients matrix
f	=	Final Demand per cultural activities ⁶

To get the model started, the turnover of the business economy associated with the CCI&S are regarded as “outside agents” impacting on the model through an increase in its final demand components. The implication of this is that (for every project) a (column) vector for every relevant final demand component of the model, on a commodity basis, had to be compiled. Each of these final demand components had to be disaggregated on a detailed basis, such as turnover and intermediate demand on a creative and cultural industry basis, salaries and wages, gross operating surplus (GOS), number of workers per skill level, portion of goods and services to be exported, etc. The model structure is based on the Standard Industrial Classification (SIC) of sectors.

The impact of the CCI&S was analysed according to various “bricks” (i.e. the main cultural domains and their sub-activities). The economic impact of each of the bricks was firstly calculated separately. To obtain the total economic impact for a specific domain or the total economy, the related bricks were aggregated.

5.4. Data Sources

The primary data sources used in compiling the CCI&S SAM for the present study is outlined in the table below:

Table 7: Data sources used in compiling the CCI&S SAM

Survey/administrative data	Conducted in the past?	Latest publication	Frequency	Coverage
Annual Financial Statistics	Yes	December 2022 (reference period – 2021)	Annually	12 663 enterprises sampled
The Supply and Use Tables	Yes	2018	Annually	124 industries sampled
The Social Accounting Matrix	Yes	2018	Every 5 to 10 years	Entire economy
The Income and Expenditure of Households Survey	Yes	2014/15	Every 3 to 5 years	31 000 dwelling units sampled
The Quarterly Bulletin published by the South African Reserve Bank.	Yes	September 2023	Quarterly	Entire economy

⁶ In the case of SAM based models, it is shocked not on activities but on commodities. In this case the Model automatically cream off the import components to enable it to calculate the impact of only the demand for domestically produced products.

Labour Market Dynamics	Yes	2021	Annually	Approximately 30 000 dwelling units sampled
Estimates of national expenditure	Yes	2021	Annually	Entire economy

In all cases, data derived from these sources has been adjusted to 2021 constant prices using appropriate growth rates for the main economic sectors derived from the September 2023 SARB Quarterly Bulletin.

5.5. Limitations of a SAM-Based Model

There are strengths and weaknesses in using SAM-based models in MEIA studies. The fundamental assumption about the compilation of SAM-based models, as well as the use of the models for analytical purposes is the possibility of grouping all production activities in the economy in homogeneous sectors. Secondly, the interdependence of sectors in the model can be expressed in meaningful input functions. This basic assumption mainly allows further assumptions to be made concerning the economic validity of the application of a SAM-based model as an economic analytical tool. Some of the strengths of SAM-based models include:

The strengths include:

- SAM-based models use a lot of historical or cross-sectional data. There is a belief centred on the idea that a model incorporating as much information from the past as possible will have a better chance of predicting the future or accurately simulating policy impacts.
- SAM-based models need relatively less data resources to be maintained than other sophisticated models like the CGE model.

On the other hand, SAM-based models are not without limitations. Some of the limitations include:

- SAM-based models are partial equilibrium models. As such, they do not capture all markets and prices in an economy. They also do not capture the impact of changes in one market on other key markets in the economy.
- SAM-based models are static in nature, the impacts do not vary over time. They are not useful for long-term forecasting purposes.

5.6. Approach to calculating CCI&S Trade

South Africa does not currently have an official framework for cultural statistics that defines and classifies trade in cultural goods and sports. Like many countries globally, South Africa makes use of the UNESCO Framework for Cultural Statistics (2009) to define and classify cultural and sports trade.

The UNESCO Framework for Cultural Statistics outlines the trade classification system for cultural goods. This classification forms the basis for establishing the cultural and sports trade. The UNESCO FCS guides on how existing trade data can be used to identify cultural trade in both goods and services. For goods trade, the framework specifies which categories of the 2007 Harmonised Commodity Description and Coding System (HS), and the Standard International Trade Classification Revision 4 (SITC4) can be used to measure cultural goods trade. Of the two classification systems, the 2007 HS provides greater detail, with 85 six-digit HS codes identified as relevant for cultural goods trade across

the six domains. The HS six-digit level provides data for South Africa's total and trade. The cultural and sports uses a six-digit product code based on the Harmonised System of 2007 and is used for this analysis.

The Harmonised System is an international classification system used for classifying traded goods. It provides a homogenous way to identify and classify products based on their characteristics and materials. The HS codes are essential for tracking international trade and ensuring consistency in reporting. The system allows for direct mapping to the HS codes to define cultural goods trade, which aligns with the UNESCO FCS. The data used in this report uses the 2007 Harmonised System for goods trade, based on UN Comtrade data⁷, which allows for alignment with the 2009 UNESCO FCS. The HS six-digit product code is presented in Appendix B.

To measure trade in cultural services, the Extended Balance of Payment Services (EBOPS) is used. EBOPS is based on the sixth edition of the Balance of Payments and International Investment Position Manual (BPM). Under this system, services trade data recorded is mainly cross-border services, where the services provider remains in their country while the service provided crosses the border. The categories depicted in the table below provide an important guide to measuring cultural services trade.

Table 8: EBOPS cultural services trade categories

	BPM6	EBOPS	Labels
Core cultural services	1.A.b.8.	8.4.1	Licenses to reproduce and/or distribute audio-visual products
		8.4.2	Licenses to reproduce and/or distribute related products
	1.A.b.9.3.	9.3.1	News agency services
	1.A.b.9.3.	9.3.2	Other information services
	1.A.b.10.2.	10.2.2	Advertising, market research and public opinion polling
	1.A.b.10.3.	10.3.1.1	Architectural services
	1.A.b.11.1.	11.1.1	Audio-visual products
	1.A.b.11.1.	11.1.2	Related services
	1.A.b.11.2.	11.2.3	Heritage and recreational services
Equipment and supporting materials	1.A.b.8.	8.3	Licenses to reproduce and/or distribute computer software
	1.A.b.9.2	9.2.1	Computer services
	1.A.b.9.2	9.2.2	Other computer services
Related cultural. services & tourism	1.A.b.4.2.3	4.2.3.	Travel – Other personal

Source: UNESCO, 2009: 39

⁷ [Trade Statistics by Product \(HS 6-digit\) \(worldbank.org\)](https://data.worldbank.org/trade)

6. The Economic Contribution of Cultural, Creative, and Sports Industries

A Macro-Economic Impact Assessment was used to estimate how the activities of the CCI&S in one or more parts of the economy affect other sectors of the economy. In other words, the model assesses how direct economic activity could potentially lead to other forms of economic activity. In the model, the direct, indirect, and induced effects of the industries are highlighted. The table below outlines the main economic indicators that are analysed in the study.

Table 9: Macro-Economic Indicators

	GDP is a good indicator of economic growth and welfare, as it represents, amongst others, the remuneration of employees and GOS (profits) as components of value added to the economy.
	Labour forms an important part of the primary production factors needed for production. The model determines the additional number of people employed because of CCI&S expenditure using the MEIA.
	CCI&S impact on public finances through the collection of indirect and induced tax revenue by the companies and employees associated with the industry.
	One of the components of the MEIA is to determine whether activities in the CCI&S have a positive impact on poverty alleviation. The expenditure of the CCI&S benefit low-income households. This is reflected through the additional income that low-income households receive ⁸ .

The study used the GDP indicator instead of Gross Value Added (GVA), because GDP is the most used indicator in macroeconomic analysis. It is widely reported by statistical houses, making it easy to perform comparative analysis.

Before delving into the economic contribution of the industries, it is important to assess the size of production for the industries. The production size directly affects the GDP calculations. For example, low production will yield low GDP for a specific industry. The production figures for the years 2021 to 2023 are displayed in the table below.

⁸ The definition of low, medium and high-income household categories are from the General Household Survey (2022) by StatsSA and the Labour Market Dynamics (2021). Low-income households include households an annual income of between R0 to R31 955; medium income households include households with an annual income of between R31 956 to R767 208; high-income households include households with an annual income of R767 209 and above.

Table 10: CCI&S Production Size of the Domains from 2021 to 2023

Domains	2021		2022		2023 ⁹	
	Production (R million)	Production (%)	Production (R million)	Production (%)	Production (R million)	Production (%)
Cultural & Natural Heritage	3 320	1,5%	4 173	1,9%	5 172	2,2%
Performance & Celebration	10 463	4,9%	10 581	4,8%	10 244	4,4%
Visual Arts & Crafts	24 701	11,5%	25 079	11,3%	26 347	11,3%
Books & Press	17 730	8,2%	18 048	8,1%	19 592	8,4%
Audio-Visual & Interactive Media	45 453	21,1%	47 438	21,4%	48 433	20,8%
Design & Creative Services	44 052	20,5%	44 871	20,2%	45 893	19,7%
Sports and Recreation	44 752	20,8%	46 866	21,1%	52 411	22,5%
Education	24 834	11,5%	24 964	11,2%	25 168	10,8%
Total	215 305	100,00%	222 020	100,00%	233 259	100,00%

The table above presents the production of the CCI&S from the year 2021 to 2023. The domains that accounted for the most production in over the years are Audio-Visual & Interactive Media, Sports and Recreation, and Design and Creative Services. A lot of activities are expected to occur in these industries given the sizes of the production. Similarly, fewer activities are expected to occur in the Cultural & National Heritage and Performance & Celebration domains due to the small contribution.

While the production indicates the amount of activity in the domains, the GVA provides a more comprehensive economic contribution of the CC&S industries. The table below outlines the CCI&S GVA, national GVA, and their contribution, evaluating the industry performance over the past eight years. The figures provided by SACO for these industries represent GVA at basic prices, ensuring consistency in our analysis. It's pertinent to note that the historical GVA figures for the Sports industries are not accounted for within the CCI&S numbers.

Table 11: National GVA and CCI&S GVA at Basic Prices over 8 years

Years	National GVA	CCI&S GVA	Contribution
2016	R 4 288 841	R 121 038	2,8%
2017	R 4 592 450	R 125 201	2,7%
2018	R 4 816 888	R 126 525	2,6%
2019	R 5 044 926	R 125 131	2,5%
2020	R 5 029 575	R 116 966	2,3%
2021	R 5 572 608	R 159 049	2,9%
2022	R 5 983 460	R 173 974	2,9%
2023	R 6 310 829	R 188 094	3,0%
Average	R 5 152 424	R 141 997	2,9%

The CCI&S have consistently hovered at slightly over 2.5% since 2016, as illustrated in the table above. However, despite the national GVA experiencing growth from 2016 to 2023, the industry's contribution to the nation's GVA saw a decline over the four years from 2017 to 2020. The highest

⁹ The 2023 figures published by StatsSA were still preliminary at the time of compiling this report.

decline in 2020 can be attributed to the impact of the COVID-19 pandemic, which affected numerous industries. The industries GVA improved in 2021, to 2.9% from 2.3% in 2021. On average, these industries account for 2.9% of the GVA, a figure nearly equivalent to the size of South Africa's agriculture sector.

The next section illustrates the total macroeconomic contribution of CCI&S in the South African economy for the years 2021, 2022 and 2023.

The table below provides the total impacts for all the years in terms of various macroeconomic performance indicators.

Table 12: Economic Contribution of the Cultural, Creative, and Sports Industries 2021-2023

GDP

Production by the CCI&S in the years 2021 to 2023 resulted in additional GDP. The results are shown in the table below.

	Direct	Indirect impact	Induced	Total impact
Impact on GDP (R millions)	85 507	98 134	67 080	250 721
Impact on GDP (R millions)	94 337	100 023	64 098	258 458
Impact on GDP (R millions)	97 080	105 731	68 363	271 174

The production activities of the CCI&S have experienced steady growth over the years 2021 to 2023. In 2021, the industries made a significant economic contribution, generating around **R250 billion** in GDP. This figure constitutes nearly 4% of the national GDP at basic prices. The industries importance continued to increase to **R271 million** in 2023. The results display a healthy recovery from the COVID19 pandemic, increasing consumer spending. In addition, the increase in contributions from this sector may be attributed to the rise of digital platforms that have made cultural and creative content more accessible, leading to enhanced audience engagement. The digital platforms not only improve reach, but are also a market place where consumers shop. Moreover, machine learning analytics have made it easy for creators or entrepreneurs to provide targeted services that maximise revenue.

On average over the years, the combined indirect and induced impacts are responsible for approximately two-thirds of this GDP contribution, underscoring the extensive multiplier effect the industries impact on the broader South African economy. Of this contribution, around 26% is induced, which stems from labor remuneration and the subsequent consumer spending it sparks. Direct production of goods and services within the CCI&S accounts for 36% of its GDP impact, highlighting the substantial role of both the core activities of the industries and their extensive value chain.

Employment

The table below shows that the industries employed approximately **1 053 547** individuals in 2021, with a significant portion, 495 108, directly engaged in the Cultural, Creative, and Sports Industries (CCI&S). Additionally, the presence of the CCI&S spurred job creation in other areas, indirectly and through induced effects related to wage spending, contributing to over 500,000 additional employment opportunities. The CCI&S continued to play a crucial role in generating employment opportunities, generating **1 165 709** in 2023. The decline in jobs in 2022 (**1 039 414**) may stem from temporary adjustments in the businesses that were migrating to digital technologies shedding off some jobs and later creating new types of employment in the following year.

	Direct	Indirect impact	Induced	Total impact
Impact on Employment -	495 108	261 085	297 354	1 053 547
Impact on Employment -	483 328	259 854	296 233	1 039 414
Impact on Employment -	545 552	282 101	338 055	1 165 709

Public Finance

From a fiscal perspective, the CCI&S also contributed to government tax revenue and stimulated economic activity throughout its operations. During 2021, the activities in the CCI&S in the economy increased total government revenue by an estimated R103 billion. This figure constitutes direct and indirect tax revenue, as well as the broader fiscal impacts generated through the linkages the CCI&S has with other economic sectors. This revenue further increased to R117 billion in 2023. This growth can be attributed to the expansion of activities within the CCI&S and the sector's globalization, as consumers of these industries are increasingly distributed across the globe.

	2021	2022	2023
Impact on the Fiscus	103 245	108 420	117 227

Income contribution to Low-income Households

	2021	2022	2023
Low-income household contribution	40 790	42 514	45 156

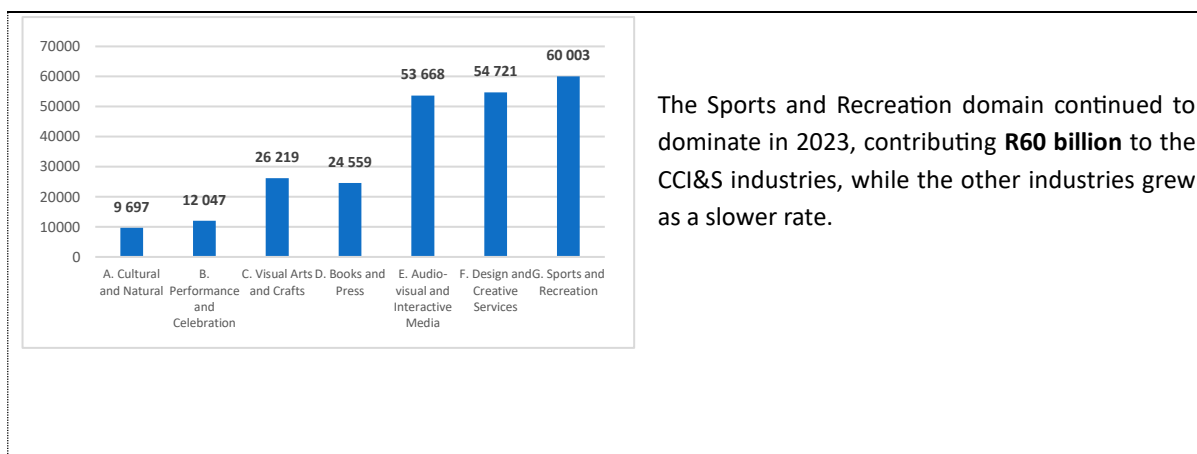
The CCI&S plays a vital role in reducing poverty by positively affecting low-income households. The industry's activities lead to an increase in income for these households. Low income households received income of close to **R40 billion in 2021** and about **45 billion in 2023**, enhancing the livelihoods of economically disadvantaged individuals. Industries that support low-income households are important in advancing sustainable development goals.

6.1. Domain Contribution to GDP

The contribution to GDP by the CCI&S is further broken down according to the domains as depicted in the figure below.

Table 13: Domain Contribution to GDP

2021																	
<table border="1"> <thead> <tr> <th>Domain</th> <th>Contribution to GDP</th> </tr> </thead> <tbody> <tr> <td>A. Cultural and Natural Heritage</td> <td>6,344</td> </tr> <tr> <td>B. Performance and Celebration</td> <td>12,281</td> </tr> <tr> <td>C. Visual Arts and Crafts</td> <td>24,709</td> </tr> <tr> <td>D. Books and Press</td> <td>22,409</td> </tr> <tr> <td>E. Audio-visual and Interactive Media</td> <td>50,646</td> </tr> <tr> <td>F. Design and Creative Services</td> <td>52,699</td> </tr> <tr> <td>G. Sports and Recreation</td> <td>51,745</td> </tr> </tbody> </table>	Domain	Contribution to GDP	A. Cultural and Natural Heritage	6,344	B. Performance and Celebration	12,281	C. Visual Arts and Crafts	24,709	D. Books and Press	22,409	E. Audio-visual and Interactive Media	50,646	F. Design and Creative Services	52,699	G. Sports and Recreation	51,745	Digital transformation has had a significant role in transforming the CCI&S industries. In the domain contribution for 2021, the top three domains that contributed the most GDP were the Design and Creative Services, Audio-Visual and Interactive Media and the Sports and Recreation domains. The Audio-Visual and Interactive Media domain demonstrates this, achieving the highest contribution to GDP because of its inherent digital scalability and advanced streaming technologies. In contrast, the Performance and Celebration domain, as well as the Cultural and Natural Heritage domain had the lowest contributions to the total GDP. This is evidence that some industries were not as flexible in implementing necessary changes emanating from the pandemic, which led to their sluggish growth compared to others that managed to bounce back.
Domain	Contribution to GDP																
A. Cultural and Natural Heritage	6,344																
B. Performance and Celebration	12,281																
C. Visual Arts and Crafts	24,709																
D. Books and Press	22,409																
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<table border="1"> <thead> <tr> <th>Domain</th> <th>Contribution to GDP</th> </tr> </thead> <tbody> <tr> <td>A. Cultural and Natural Heritage</td> <td>7,896</td> </tr> <tr> <td>B. Performance and Celebration</td> <td>12,407</td> </tr> <tr> <td>C. Visual Arts and Crafts</td> <td>25,056</td> </tr> <tr> <td>D. Books and Press</td> <td>22,776</td> </tr> <tr> <td>E. Audio-visual and Interactive Media</td> <td>52,661</td> </tr> <tr> <td>F. Design and Creative Services</td> <td>53,599</td> </tr> <tr> <td>G. Sports and Recreation</td> <td>54,029</td> </tr> </tbody> </table>	Domain	Contribution to GDP	A. Cultural and Natural Heritage	7,896	B. Performance and Celebration	12,407	C. Visual Arts and Crafts	25,056	D. Books and Press	22,776	E. Audio-visual and Interactive Media	52,661	F. Design and Creative Services	53,599	G. Sports and Recreation	54,029	In 2022, the Sports and Recreation domain dominated in the contribution to GDP, contributing R54 billion. It was the second largest contributor in the previous year. The impact of digitization is also evident here. Games were streamed to wider audiences. Moreover, because of digitization, more players can play games online with team members or players from anywhere in the world. The other sectors like the Visual Arts and Crafts and Books and Press saw moderate increases. However, while these sectors still contribute significantly to economic growth, they do so at a lower rate compared to the Sports and Recreation, Design and Creative Services, and Audio-Visual and Media industries. This disparity is also largely due to the larger consumer base in the sports, design, and music sectors, underscoring the importance of government support for these areas.
Domain	Contribution to GDP																
A. Cultural and Natural Heritage	7,896																
B. Performance and Celebration	12,407																
C. Visual Arts and Crafts	25,056																
D. Books and Press	22,776																
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2023																	



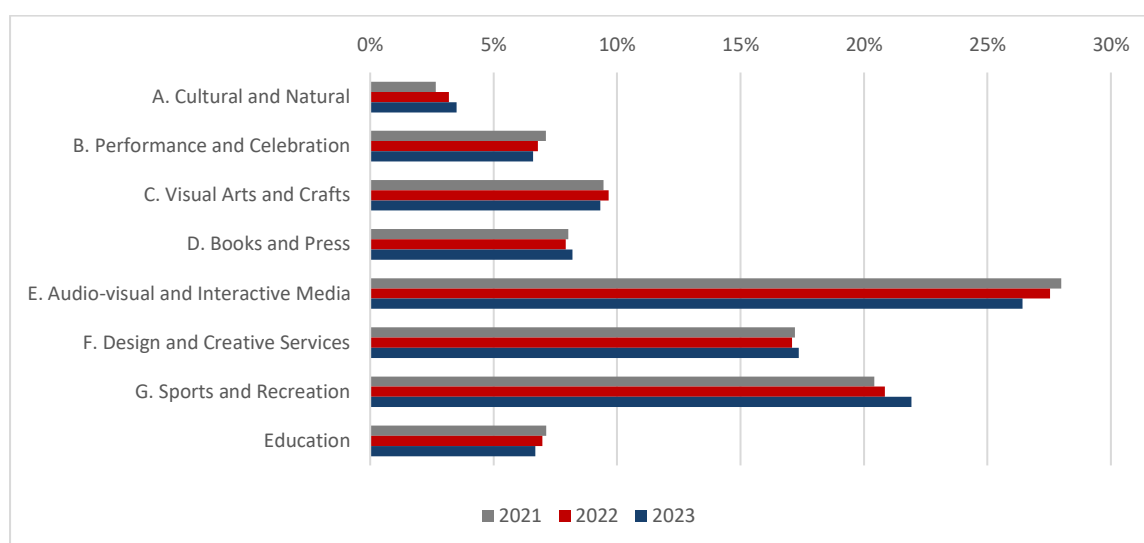
6.2. Domain Contribution to Capital Formation

Table 14: The different CCI&S Domain Contributions to Capital Formation

Capital Formation	2021	2022	2023
A. Cultural and Natural	8 677	10 577	12 297
B. Performance and Celebration	23 196	22 555	23 183
C. Visual Arts and Crafts	30 831	32 091	32 721
D. Books and Press	26 173	26 339	28 761
E. Audio-visual and Interactive Media	91 256	91 519	92 791
F. Design and Creative Services	56 093	56 798	60 989
G. Sports and Recreation	66 594	69 289	76 976
Education	23 231	23 169	23 499
Total	326 052	332 337	351 217

The table above presents the contributions of the domains within the CCI&S to capital formation between 2021 and 2023. The trends observed are similar to those regarding contributions to GDP and employment. Notably, the Audio-visual and Interactive Media domain consistently had the highest capital formation contribution from 2021 up to 2023, followed by the Sports and Recreation domain and the Design and Creative Service. Together, these three sectors represent the largest contributions to capital formation among all CCI&S industries in South Africa. The supporting education domain maintained its capital contribution throughout the three years, continuously providing creative education and skills within the core industries. The findings guide policymakers to focus on enhancing these key sectors to strengthen their significant role in capital formation. However, the contributions of other sectors should not be overlooked. The cultural and natural, performance, and celebrations domains also contribute meaningfully, albeit on a smaller scale compared to the leading sectors. The government should also prioritize support for these areas, as they play an important role in capital formation and wealth generation in South Africa.

Figure 6: Percentage Domain Contribution to Capital Formation, 2021-2023



The Figure above displays the percentage contributions of the various CCI&S domains to the country's capital formation between 2021 and 2023. The Audio-Visual and Interactive Media and Design and Creative Services domains robust performance indicates a growing recognition of its role in innovation, branding, and product development. This increasing diversification and globalisation has contributed significantly to in driving demand for creative services. The increased contribution of the Sports and Recreation domain reflects the increasing investment in sports infrastructure and events, which stimulate economic activity and tourism.

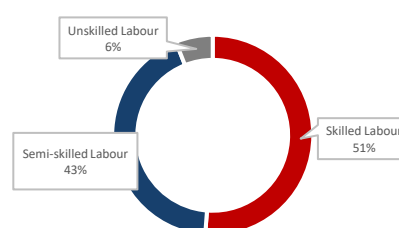
6.3. Domain Contribution to Employment

At over 30% of the unemployment rate in South Africa it is of paramount importance to identify the economic sectors and activities that are labour-intensive and have a high potential for job creation. The previous section presented employment figures calculated from the macroeconomic impact model based on a SAM, capturing the full multiplier effect of job creation as a result of the CCI&S industries. This section discusses the contributions of the domains to employment, measured by the number of job opportunities. The figures presented in the table below differ methodologically from the employment figures in the previous section. They represent direct employment statistics of the CCI&S industries as reported by Stats SA; while the Table below outlines the direct job in the CC&S industries.

Table 15: Domains Contribution to Employment (number of occupations)

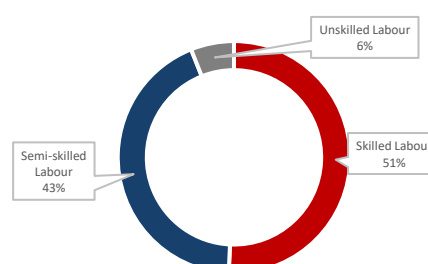
2021									
Labour	A. Cultural and Natural	B. Performance and Celebration	C. Visual Arts and Crafts	D. Books and Press	E. Audio-visual and Interactive Media	F. Design and Creative Services	G. Sports and Recreation	Education	Total Macroeconomic Impact
Skilled Labour	2 641	29 829	10	53 687	213 280	183 369	29 263	16 730	539 483
Semi-skilled Labour	2 634	28 420	15 512	84 742	158 562	118 997	28 140	14 026	451 033
Unskilled	563	4 332	1 597	9 640	23 111	17 565	3 974	2 249	63 032
Total	5 839	62 582	27	148	394 952	319 931	61 377	33 005	1 053 547

In 2021, majority of the jobs in the CCI&S were mainly concentrated in Audio-visual and Interactive Media, followed by Design and Creative Services, and Sports and Recreation. When looking at the skill level required by the CCI&S industries, most of the occupations skilled individuals. This suggests that government needs to pay attention to upskilling individuals engaged in the industries.



2022									
Labour	A. Cultural and Natural	B. Performance and Celebration	C. Visual Arts and Crafts	D. Books and Press	E. Audio-visual and Interactive Media	F. Design and Creative Services	G. Sports and Recreation	Education	Total Macroeconomic Impact
Skilled Labour	2 161	27 370	11 119	60 985	209 626	158	40 414	16 647	527 295
Semi-skilled Labour	2 285	26 528	13 806	80 612	169 299	110 375	33 679	12 948	449 533
Unskilled	357	4 356	1 557	9 727	23 564	15 782	5 142	2 102	62 587
Total	4 803	58 255	26 482	151	402 489	285	79 235	31 697	1 039 414

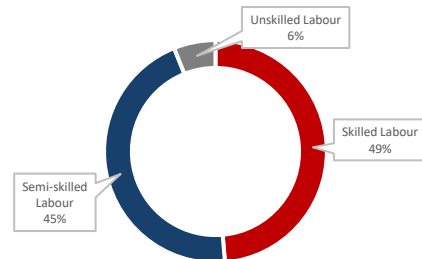
In 2022, the Cultural and Natural, Performance and Celebration, and Visual Arts and Crafts jobs saw a decline. This may have stemmed from unfavorable macroeconomic conditions or the shift to the digital environment and remote work emanating from COVID-19, shifting employment to other sectors or domains. The rest of the domains saw a slight growth in jobs. Similarly, the domains had more skilled workers in 2022. Skilled individuals are often adaptable, enabling them to navigate the changing environments.



2023

	A. Cultural and Natural	B. Performance and Celebration	C. Visual Arts and Crafts	D. Books and Press	E. Audio-visual and Interactive Media	F. Design and Creative Services	G. Sports and Recreation	Education	Total Macroeconomic Impact
Skilled Labour	1 939	30 425	10 801	64 490	215 314	184	42 710	16 421	566 932
Semi-skilled Labour	2 247	32 261	14 660	91 998	190 740	143 280	39 096	13 943	528 225
Unskilled	332	5 147	1 589	10 703	25 445	19 430	5 725	2 181	70 552
Total	4 518	67 833	27 050	167	431 499	347	87 531	32 544	1 165 709

The jobs in the Cultural and Natural domain further declined in 2023, from **4 803** in 2022 to **4 518** in 2023, while other industries grew. In the skills front, we see skilled labour declining by 2% from 51% on 2022 to 49% in 2023. On the other hand, the semi-skilled labour grew by 2%. This can be attributed to market shift dynamics, where semi-skilled workers are able to handle tasks that were previously handled by skilled workers.



While Table 15 displays the absolute employment distribution for different skill levels, analysing the ratio of skilled to unskilled workers provides insights into employment quality and equity within each domain. Table 16 presents the Employment Skills Ratio, calculated as the combined skilled and semi-skilled workers divided by unskilled workers, offering a measure of employment inequality across domains.

Table 16: Employment skills ratio

Employment skills ratio	A. Cultural and Natural	B. Performance and Celebration	C. Visual Arts and Crafts	D. Books and Press	E. Audio-visual and Interactive Media	F. Design and Creative Services	G. Sports and Recreation	Education
2021	9,37	13,45	16,41	14,36	16,09	17,21	14,44	13,67
2022	12,45	12,37	16,00	14,56	16,08	17,07	14,41	14,08
2023	12,61	12,18	16,02	14,62	15,96	16,89	14,29	13,92

Domains with high skills ratios display employment quality, or the requirement for more skilled individuals. There is a significant variation of employment quality as displayed in the table above, with more skilled employees located in the Design and Creative Services, Audio-visual and Interactive Media and Visual and Crafts domains. On the other hand, less skilled employees are in the Cultural and Natural domain. Overall, the high ratios display that the industries create quality employment (skilled), which highlights the need for governments to provide facilities for training of professionals engaged in the industries. The digital transformation also makes skilling more important since specialised non-traditional skills may be required for different industries.

6.4. Domain Contribution to Low-Household Income

One of the government's mandates is to alleviate poverty, which corresponds to the zero hunger SDG. The CCI&S contributes towards poverty alleviation through its impact on the economic viability of low-income households. The industry generates additional income for low-income households, especially through the activation of downward streams of income sources. The Table below outlines the impact the industries have had on household income distribution from 2021 to 2023 in a trend analysis.

Table 17: Income Contribution to Low-income Household by Domain 2021-2023 (R Millions)

Household Income Contribution	2021	2022	2023
A. Cultural and Natural	1 104	928	878
B. Performance and Celebration	2 049	2 251	2 602
C. Visual Arts and Crafts	4 811	4 611	4 698
D. Books and Press	3 914	3 992	4 368
E. Audio-visual and Interactive Media	8 807	8 973	9 610
F. Design and Creative Services	8 284	7 464	8 395
G. Sports and Recreation	9 670	12 225	13 223
Education	2 151	2 071	2 123
Total	40 790	42 514	45 899

Table 17 above presents the CCI&S domains' contributions to alleviating poverty and promoting the Zero Hunger SDG initiative. This particularly concerns the low-income households who are struggling to sustain their livelihood. The income contribution highlight both recovery trajectories and structural shifts within the CCI&S sector for the years under consideration. In 2021, the income that supported low-income households amounted to about R40 billion, increasing to R45 billion in 2023. All industries grew moderately from 2022 to 2023.

The sports domain's contributions to low-income households remained substantial in all the years. This can be attributed to its ability to generate employment and stimulate local economies through events and infrastructure, providing direct financial support to low-income households. Additionally, the audio-visual and interactive media domain also contributed the most after the sports and recreation. Through digitization, there has been increased access to information and entertainment, creating economic opportunities that empower communities. In contrast, the lower contributions from cultural heritage and performance sectors reflect their limited outreach and commercial viability, resulting in fewer resources directed toward poverty reduction initiatives. The following figures outline the CCI&S contributions to poverty alleviation for the various years under consideration.

Figure 7: Percentage Contribution of the CCI&S to Household Income in 2021 to 2023

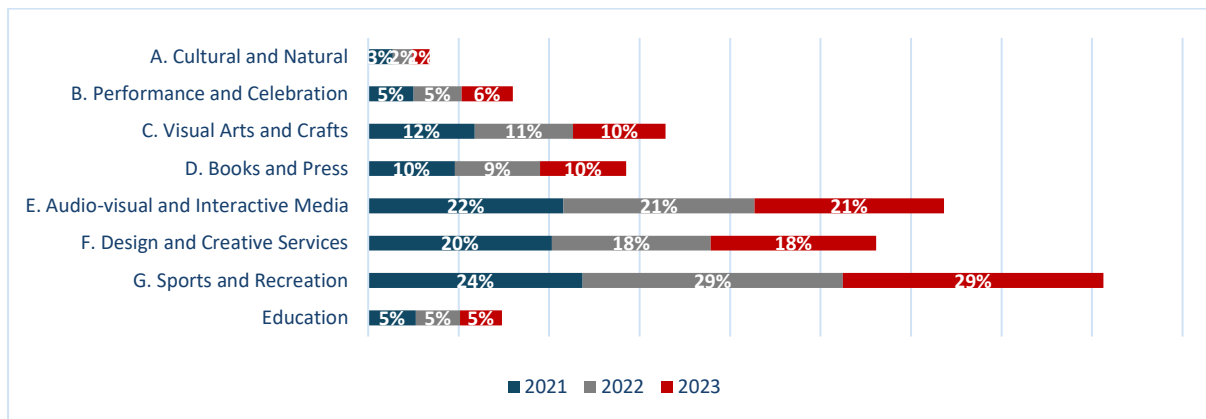
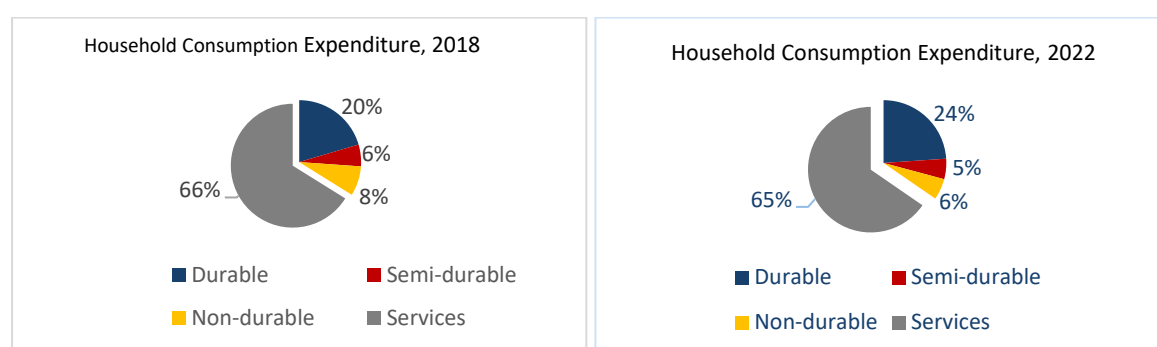


Figure 8 above presents the contributions of the domains to poverty alleviation and the general well-being of households for the years 2021 to 2023. Most of the income was generated through the Sports and Recreation, Design and Creative Services, and Audio-visual and Interactive Media domains, which is expected, and in line with the GDP and employment patterns. The Sports and Recreation domains displayed a stable contribution in 2022 and 2023.

7. Consumption Expenditure on Recreation and Entertainment

Household consumption expenditure is one of the biggest expenditures in most economies' GDP. In South Africa, household consumption expenditure accounted for about 65% of total GDP in 2022. A similar trend has been experienced in the past years. This shows the importance of consumer spending. Consumers consume different activities that occur in the economy. The figures below display changes in consumer recreation and entertainment spending among different spending categories. The expenditures consist of durable recreation and entertainment ¹⁰, semi-durable recreation and entertainment ¹¹, non-durable recreation and entertainment ¹², and recreation and entertainment services ¹³. The cultural, creative, and sports industries play a role in all the types of goods consumed. For example, in the services expenditure item, you find the Cultural and Natural Heritage domain. The figures below show the split of household consumption expenditure and how the split has changed from 2018 to 2022.

Figure 8: Household Consumption Expenditure Distribution for the Years 2018 and 2022



Services have the biggest share in the recreation and entertainment expenditure and the contribution has not changed much from 2018 to 2022. This consumption expenditure item is of utmost importance as it includes for most of the domains. A notable change is that of the durable and non-durable goods. Both expenditures dropped by 2% from 2018 to 2022. The decline may still be attributed to the lingering effects of the Covid19 pandemic and the weak global growth. In the coming years, the split of the consumption items might change even further as the digital transformation strengthens. The figure below displays the past and future trends in the media and entertainment market, which is relevant to the CCI&S industries.

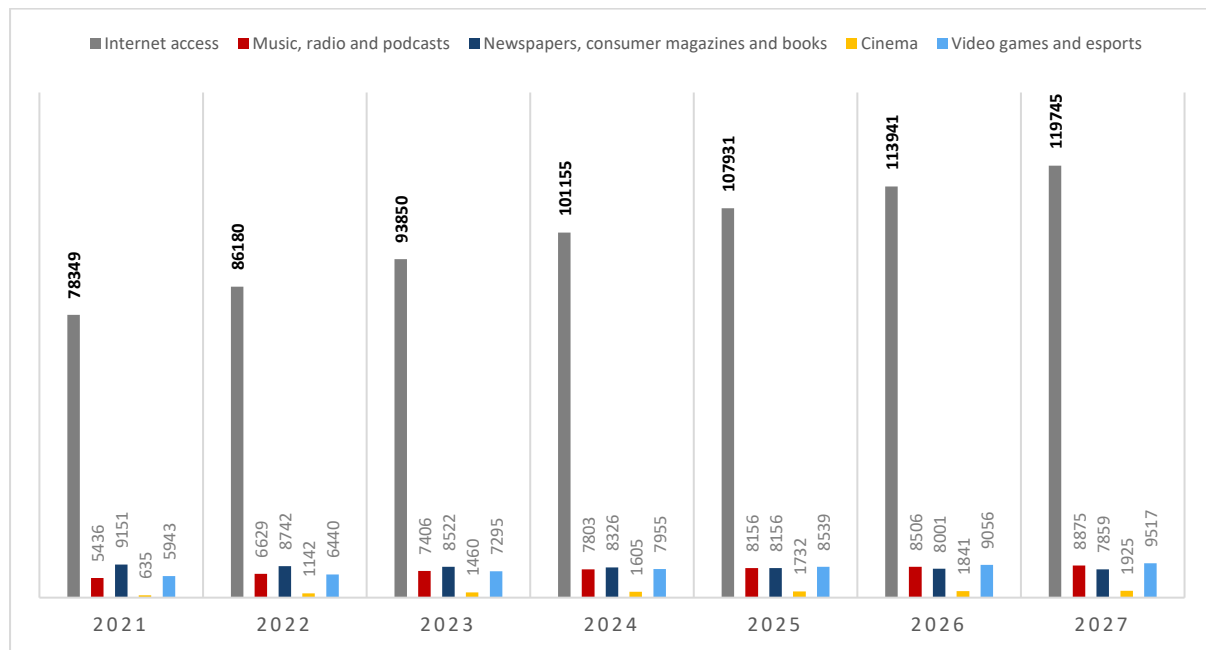
¹⁰ Durable goods consists of audio-visual, photographic and communications equipment

¹¹ Semi-durable goods consist of sport and camping equipment, games, hobbies, toys, books and recording media

¹² Non-durable goods consist of newspapers, magazines, stationery, pets and related products as well as garden products, plants and flowers

¹³ Services consists of cinema, park, museum and theatre entrance fees, subscriptions to cable television, licences and hiring of equipment

Figure 9: The Media and Entertainment Outlook in South Africa, 2021-2027 (R Millions)



Source: PWC (2023)

The figure above displays the internet access increasing trajectory. This trend increased even more since the emergence of smartphones, and lately the rise of AI. Consumers are now able to access different types of entertainment on the go. About 57% of data is consumed using smartphones in Africa. Furthermore, videos have a large share in the distribution of the content consumed online in South Africa, the same is true globally. It is for that reason internet access is forecasted to increase even further in the coming years. The South African media and entertainment industry is expected to generate revenue of R231.2 billion by 2027 from R176.7 billion in 2022¹⁴. Furthermore, in the continent, South Africa is also a leader in the video games and esports segment.

The implication for the CCI&S industries is to align the industries with the global trends. The move to digital platforms is imminent. Industry stakeholders need to develop innovative ideas that will keep the consumer interested in consuming the content or buying the creative and sporting products. Traditional ways of entertainment are being replaced by the digital market. For example, print media like newspapers and magazines are expected to decline as shown in the figure above.

¹⁴ PWC. Media and Entertainment Outlook. 2023-2027. Available on: <https://www.pwc.co.za/en/publications/entertainment-and-media-outlook.html>.

8. Conclusions and Recommendations

The CCI&S industries have emerged as crucial sectors of national economies that significantly contribute to not only leisure and entertainment, but also stand as pillars of innovation, competitiveness, employment and development. The study analysed the economic impact of the CCI&S using a Macroeconomic Impact Assessment Model based in a Social Accounting Matrix. A Satellite Account for the Cultural, Creative, and Sports Industries was embedded into the Social Accounting Matrix. The results show that the CCI&S industries have a sizeable impact on the economy. Over the 2021–2023 period, the CCI&S contributed 3.9% to the national GDP. The results underscore the significant contribution of CCI&S to the nation's economy, with noteworthy findings as follows:

- The impact of the CCI&S on South Africa's GDP rose from R250 billion in 2021 to R271 billion in 2023.
- The estimated job opportunities sustained by CCI&S increased from 1 053 547 in 2021 to 1 165 709 in 2023.
- The contribution to low-income household increased from R40 billion in 2021 to R45 billion in 2023, of which roughly 12% accrued to lower-income households. Thus, of the total income generated directly and indirectly through CCI&S, a significant percentage reaches poor communities in South Africa.
- The annual fiscal impact of the CCI&S rose from R103 billion in 2021 to R117 billion in 2023 through direct and indirect taxes. This revenue can finance different types of socioeconomic services like paying for teachers, hospitals, and low-cost housing.

On a domain basis, Design and Creative Services, Sports and Recreation, and Audio-Visual and Interactive Media were the main contributors to the overall economic output and employment of the CCI&S for the period 2021–2023. The sectors not only led in GDP and employment contribution, but they also led capital formation, suggesting potential growth prospects. The high capital formation contribution in the Audio-Visual and Interactive Media domain reflects the ongoing technology transformations. Cultural and Natural Heritage and Performance and Celebration contributed the least to GDP on average (about 3% and 5%, respectively), though both domains showed some recovery by 2023. This pattern can be explained by the negative impact the lockdown and various COVID-19 regulations had on those specific industries. While all industries were affected, some adapted more rapidly, enabling them to resume and grow their activities.

With high unemployment levels in South Africa, job creation is one of the main tasks on government's agenda. Audio-visual and Interactive Media, followed by Design and Creative Services, and Sports and Recreation accounted for the most job opportunities in over the years. Across the period, skilled labour consistently represented the largest share of jobs (49–51%), with semi-skilled labour accounting for about 43% and unskilled labour around 6–7% of total occupations. The CCI&S also contributed substantially to government tax revenue and stimulated economic activity through its operations.

An important observation pertains to the ongoing transformation agenda within the CCI&S, which remains a work in progress. Despite strides made, women and previously disadvantaged groups continue to be underrepresented, particularly in terms of ownership. However, it is encouraging to

note the diverse age profile of occupations within these industries, providing opportunities for individuals across all age groups to participate in their vibrancy.

Notably, the expansion of the CCI&S sector has also raised concerns about the environmental footprint given the current trend of environmental pollution and the vulgarisation of digital technologies. To address these concerns, this chapter showed on one hand that digitization is increasingly becoming a defining force in reshaping various aspects of cultural expression, creative industries, and sports in South Africa, presenting a unique opportunity to boost the social and economic impact of the CCI&S. On the other hand, the industries can serve as a pathway to environmental sustainability if well harnessed since, professionals and artists can promote sustainability through their production techniques or public engagement using simple and far-reaching designs unlike heavy scientific reports. Therefore, concluding remarks of this chapter call for integrated strategies that connect digital transformations with the creative and sports industries to reverse the trend of environmental degradation in South Africa. We recommend investing in digital infrastructure development to ensure equitable digital access, public-private partnerships, and targeted capacity-building for a future that is both digitally empowered, culturally rich, and environmentally resilient.

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Appendix A: Description for the Social Accounting Matrix Framework for South Africa

Columns	Description of each matrix/vector
Column 1: Activities	X: Intermediate Consumption; commodities required by activities as inputs. Wa: Remuneration of Labour. Fa: Remuneration of Capital. Ti: Indirect Taxes raised on Activities. S_B: Subsidies g: Production
Column 2: Commodities	P: Production of Commodities by each activity. Ta: Indirect Taxes on Products (VAT). M(RoW): Imports from the Rest of the World. g:
Columns 3 & 4: Factors – Labour and Capital	Q_e: Dividends and Interests to Enterprise. L: Salaries and Wages to Households. T_f: Indirect Taxes (tax on Capital and Labour) to Government. Wl: Salaries and Wages to Households in the Rest of the World. Q_r: Dividends and Interest to Enterprises in the Rest of the World.
Column 5: Enterprises	Q_v: Profits distributed to Households. Tu: Enterprise Taxes. Q_{uv}: Undistributed Profits.
Column 6: Households	C: Private Consumption Expenditure by Households. TrhH1: Transfers between Households. Td: Direct Taxes and Transfers paid to the Government. Sh: Household Savings. TrhH2: Transfers to Households in the Rest of the World.
Column 7: Government	G: Government Consumption Expenditure. Wg: Remuneration of Government Labour. TRgE: Transfers to Enterprises. TRgH1: Transfers to Households. TRgG: Transfers to Government. Sg: Government Savings. TRgH2: Transfers from Government in the Rest of the World.
Column 8: Capital Account	I: Gross Investment. Sa: Capital flow to the Rest of the World.
Column 9: Rest of the World	E: Exports. We & Fe: Factor payments from the Rest the World. TrrH: Transfers from Households in the Rest the World.

	TrrG: Transfers from the Rest of the World
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Appendix B: HS six-digit product code

Domain		HS 2007	Description
A. Cultural and Natural Heritage	Antiques	970500	Collections and collectors' pieces of zoological, botanical, mineralogical, anatomical, historical, archaeological, palaeontological, ethnographic or numismatic interest
		970600	Antiques of an age exceeding one hundred years
B. Performance and Celebration	Musical Instruments	830610	Bells, gongs and the like
		920110	Upright pianos
		920120	Grand pianos
		920190	Harpsichords and other keyboard stringed instruments (excl. pianos)
		920210	Other string musical instruments (for example violins, harps) played with a bow
		920290	Guitars, harps and other string musical instruments (excl. with keyboard and those played with a bow)
		920510	Brass wind instruments (for example, clarinets, trumpets bagpipes)
		920590	Wind musical instruments (excl. brass- wind instruments)
		920600	Percussion musical instruments (for example drums, xylophones, cymbals, castanets, maracas)
		920710	Keyboard instruments other than accordions
		920790	Accordions and musical instruments without keyboards, the sound of which is produced, or must be amplified, electrically
		920810	Musical boxes
		920890	Fairground organs, mechanical street organs, mechanical singing birds, musical saws and other musical instrument; decoy calls of all

			kinds; whistles, call horn and other mouth blown sound signalling instruments
	Recorded Media	852321	Cards incorporating a magnetic strip
		852329	Magnetic media for the recording of sound or of other phenomena (excl. cards incorporating a magnetic stripe and goods of chapter 37)
		852351	Solid-state non-volatile storage devices
		852359	Semiconductor media, unrecorded, for the recording of sound or of other phenomena
		852380	Gramophone records and other media for the recording of sound or of other phenomena, whether or not recorded, incl. matrices and masters for the production of discs
		490400	Music, printed or in manuscript, whether or not bound or illustrated
C. Visual Arts and Crafts	Paintings	970110	Paintings, drawings and pastels, executed entirely by hand, other than drawings of heading 4906 and other than hand- painted or hand- decorated manufactured articles, collages and similar decorative plaques
		970190	Collages and similar decorative plaques
		491191	Pictures, designs and photographs ²
	Other visual arts	970200	Original engravings, prints and lithographs
		970300	Original sculptures and statuary, in any material
		392640	Statuettes and other ornamental articles in plastic
		442010	Statuettes and other ornaments, of wood
		442090	Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery, and similar articles, of wood; wooden articles of furniture
		691310	Statuettes and other ornamental ceramic articles of porcelain or China
		691390	Statuettes and other ornamental ceramic articles, n.e.s. (excl. of porcelain or china)
		701890	Glassware articles including statuettes
		830621	Statuettes and other ornaments, of base metal plated with precious metal

	830629	Statuettes and other ornaments, of base metal, not plated with precious metal (excl. works of art, collectors' pieces and antiques)
	960110	Worked ivory and ivory articles
	960190	Bone, tortoiseshell, horn, antlers, coral, mother-of-pearl and other animal carving material, and articles of these materials (including articles obtained by moulding)
Craft	580500	Hand-woven tapestries of the type Gobelins, Flanders, Aubusson, Beauvais and the like and needle-worked tapestries
	580610	Narrow woven fabrics: Woven pile fabrics (including terry towelling and similar terry fabrics) and chenille fabrics
	580620	Narrow woven fabrics: Other woven fabrics, containing by weight 5% or more of lastomeric yarn or rubber thread
	580631	Narrow woven fabrics: Other woven fabrics of cotton
	580632	Narrow woven fabrics: Other woven fabrics of man-made fibres
	580639	Narrow woven fabrics: Other woven fabrics of other textile materials
	580640	Fabrics consisting of warp without weft assembled by means of and adhesive (bolducs)
	580810	Braids in the piece; ornamental trimmings in the piece, without embroidery; other than knitted or crocheted
	580890	Other braids in the piece; ornamental trimmings in the piece, without embroidery; other than knitted or crocheted
	580900	Woven fabrics of metal thread and woven fabrics of metallised yarn of heading 5605 of a kind used in apparels as furnishing fabrics or for similar purposes
	581010	Embroidery in the piece, in strips or in motifs without visible ground
	581091	Embroidery in the piece, in strips or in motifs: Other embroidery of cotton

	581092	Embroidery in the piece, in strips or in motifs: Other embroidery of man-made fibres
	581099	Embroidery in the piece, in strips or in motifs: Other embroidery of other textile materials
	581100	Quilted textile products in the piece
	600240	Knitted or crocheted fabrics of a width not exceeding 30 cm, containing by weight 5% or more of elastomeric yarn but not containing rubber thread
	600290	Other knitted or crocheted fabrics of a width not exceeding 30 cm, containing by weight 5% or more of elastomeric yarn or rubber thread
	600310	Knitted or crocheted fabrics of a width not exceeding 30 cm of wool or fine animal hair
	600320	Knitted or crocheted fabrics of a width not exceeding 30 cm of cotton
	600330	Knitted or crocheted fabrics of a width not exceeding 30 cm of synthetic fibres
	600340	Knitted or crocheted fabrics of a width not exceeding 30 cm of artificial fibres
	600390	Other knitted or crocheted fabrics of a width not exceeding 30 cm
	600410	Knitted or crocheted fabrics, of a width exceeding 30 cm containing by weight 5% or more of elastomeric yarn but not containing rubber thread
	600490	Other knitted or crocheted fabrics, of a width exceeding 30 cm containing by weight 5% or more of elastomeric yarn or rubber thread
Jewellery	711311	Articles of jewellery and parts thereof of silver, whether or not plated or clad with other precious metal
	711319	Articles of jewellery and parts thereof of other precious metal, whether or not plated or clad with precious metal
	711320	Articles of jewellery and parts thereof of base metal clad with precious metal
	711411	Articles of goldsmiths' or silversmiths' wares and parts thereof of silver, whether or not plated or clad with other precious metal

		711419	Articles of goldsmiths' or silversmiths' wares and parts thereof of other precious metal, whether or not plated or clad with precious metal
		711420	Articles of goldsmiths' or silversmiths' wares and parts thereof of base metal clad with precious metal
		711610	Articles of natural or cultured pearls
		711620	Articles of precious or semi-precious stones (natural, synthetic or reconstructed)
	Photography	370510	Photographic plates and film, exposed and developed, other than cinematographic film for offset reproduction
		370590	Photographic plates and film, exposed and developed (excl for offset production)
D. Books and Press	Books	490110	Printed reading books, brochures, leaflets and similar printed matter whether in single sheets whether or not folded
		490191	Dictionaries and encyclopaedias and serial instalments thereof
		490199	Printed books, brochures and similar printed matter
	Newspaper	490210	Newspapers, journals and periodicals, whether or not illustrated or containing advertising material appearing at least four times a week
	Other Printed Matter	490290	Other newspapers, journals and periodicals
		490300	Children's picture, drawing or colouring books
		490591	Maps and hydrographical or similar charts of all kinds in book form
		490510	Maps and hydrographical or similar charts of all kinds in globes
		490599	Other maps and hydrographical or similar charts of all kinds
		490900	Postcards, printed or illustrated; printed greeting cards
		491000	Calendars of any kind, printed, including calendar blocks

E. Audiovisual & Interactive Media	Film and Video	370610	Cinematograph film, exposed and developed whether or not incorporating soundtrack or only consisting of sound track of a width of 35 mm or more
		370690	Cinematographic film, exposed and developed, whether or not incorporating soundtrack or consisting only of soundtrack, width < 35 mm
		950410	Video games used with a television receiver
F. Design and Creative Services	Architecture & Design	490600	Plans and drawings for architectural, engineering, industrial, commercial, topographical or similar purposes, being originals drawn by hand; hand-written texts; photographic reproductions on sensitised paper and carbon copies of the foregoing