Creative Economy Funding Landscape/Business Development: Landscape Shifts In South Africa's Creative Economy

BUSINESS DEVELOPMENT RESEARCH REPORT 2022

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for

BRITISH COUNCIL

IN PARTNERSHIP WITH

BUSINESS AND ARTS SOUTH AFRICA (BASA)

Research compiled by:

EXECUTIVE SUMMARY

The COVID-19 pandemic, whether by choice or force, has offered organisations and government entities an opportunity to re-evaluate their approach, priorities, and focal areas for internal and external development. Within the creative economy of South Africa, this re-evaluation has led to thematic shifts, as well as to the questioning of how the funding landscape functions and how it can make the sector more sustainable for all. This research is commissioned jointly by British Council and BASA (Business and Arts South Africa NPC) and it focuses on the current funding landscape of the creative economy in South Africa.

The research was conducted over a six-week period and was accomplished primarily using desktop research and interviews with twelve people from the sector. The specific interviewees were selected based on the perspectives they could offer, from government institutions, creative organisations, and as creative practitioners. The interviews were qualitative and intended to gain insights into what the overlapping thematic changes, opportunities and challenges may be.

An overview of the two organisations was provided, allowing a basis for analysis and scope of work for the research. The overview guided the recommendations, using examples of approaches that could potentially be implemented by British Council and/or BASA.

Across all SMMEs, including those within the creative and cultural industries, similar challenges are being faced, such as a lack of vibrant markets, lack of access to finance, and low levels of entrepreneurial and management skills.

Based on both the desktop research and the interviews, the following thematic shifts for funders (government, institutions and private) were discovered:

1. Entrepreneurship and job creation
2. Climate change
3. 4IR and digital development

The thematic focal areas seem to follow trends that are being seen globally, with a focus on income generation and economic growth opportunities, the impact of climate change, and the Fourth Industrial Revolution shifting how, why, and where we work.

The key recommendations given for British Council and BASA on their approach to their business development strategies were:

1. Partnership is key
2. Think entrepreneurially
3. Start with what you have
4. Long-term thinking and vision
5. Look outside the arts and culture sector

There is a shift in thinking taking place within the funding landscape of the creative and cultural industries of South Africa. It is a shift that is strongly influenced by the thematic focal areas and by the impact the Fourth Industrial Revolution currently has on how we partner and what a partnership actually means.

Many of the changes seen in the funding landscape of South Africa are not surprising and were evident prior to COVID-19. The impact of COVID-19 has simply accelerated these changes. New ways of thinking about work, networks, and impact have resulted in shifts to the way organisations provide, and apply for, funding. These changes offer key opportunities for new partnerships that can allow different entities to come together with unique offerings and strengths.

Although we are faced with many challenges in a post-COVID society, there are also many opportunities to re-evaluate how and why we work. This research offers insights into some of the thematic shifts that are evident in the funding landscape of the creative economy of South Africa, as well as changes in approach to that funding, partnerships, and strategies to develop the sector.

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BASA – Business and Arts South Africa NPC

BRICS – Brazil, Russia, India, China, and South Africa

CAPS – Centre for African Public Spaces

CCI – Creative and Cultural Industries

CE – Creative Economy

DSAC – Department of Sport, Arts and Culture

dtic – Department of Trade, Industry and Competition

IDC – Industrial Development Corporation

NSTF – National Science and Technology Forum

PESP – Presidential Economic Stimulus Package

QLFS – Quarterly Labour Force Survey

SACII: South African Creative Industries Incubator

SACO: South African Cultural Observatory

SADC – Southern African Development Community

SDG – Sustainable Development Goals

SMME: Small, Medium and Micro Enterprises

UJ – The University of Johannesburg

USMCA – The United States-Mexico-Canada Agreement

1. INTRODUCTION AND BACKGROUND

1.1. Introduction to the Research

The COVID-19 pandemic, whether by choice or force, offered organisations and government entities an opportunity to re-evaluate their approach, priorities, and focal areas for internal and external developments.

British Council Southern Africa and Business and Arts South Africa NPC (BASA) conducted research on the current funding landscape within South Africa. This research was done from a macro perspective and did not look at details regarding content of existing projects in the two organisations, but rather looked at funders, potential funders, and trends within the current funding landscape of the Creative Economy of South Africa.

This research consolidated existing knowledge of this landscape and learnt about new potential funders and themes within the Creative Economy.

1.2. Background and Context of Business and Arts South Africa

Based on BASA's Strategic Plan 2021–2024 Report, the nature of the organisation is the promotion and development of partnerships between private sector and the arts. The organisation intends becoming a hub connecting creativity and enterprise, while effecting social change through transformational business and arts partnerships.

BASA Business Objectives:

- Building a sustainable organisation
    - Expand membership
    - Diversify income streams
    - Grow reserves
- Social cohesion and shared value
- Leverage research to advocate for the value of arts (government, business, and society)
- Better position BASA's image and contribution

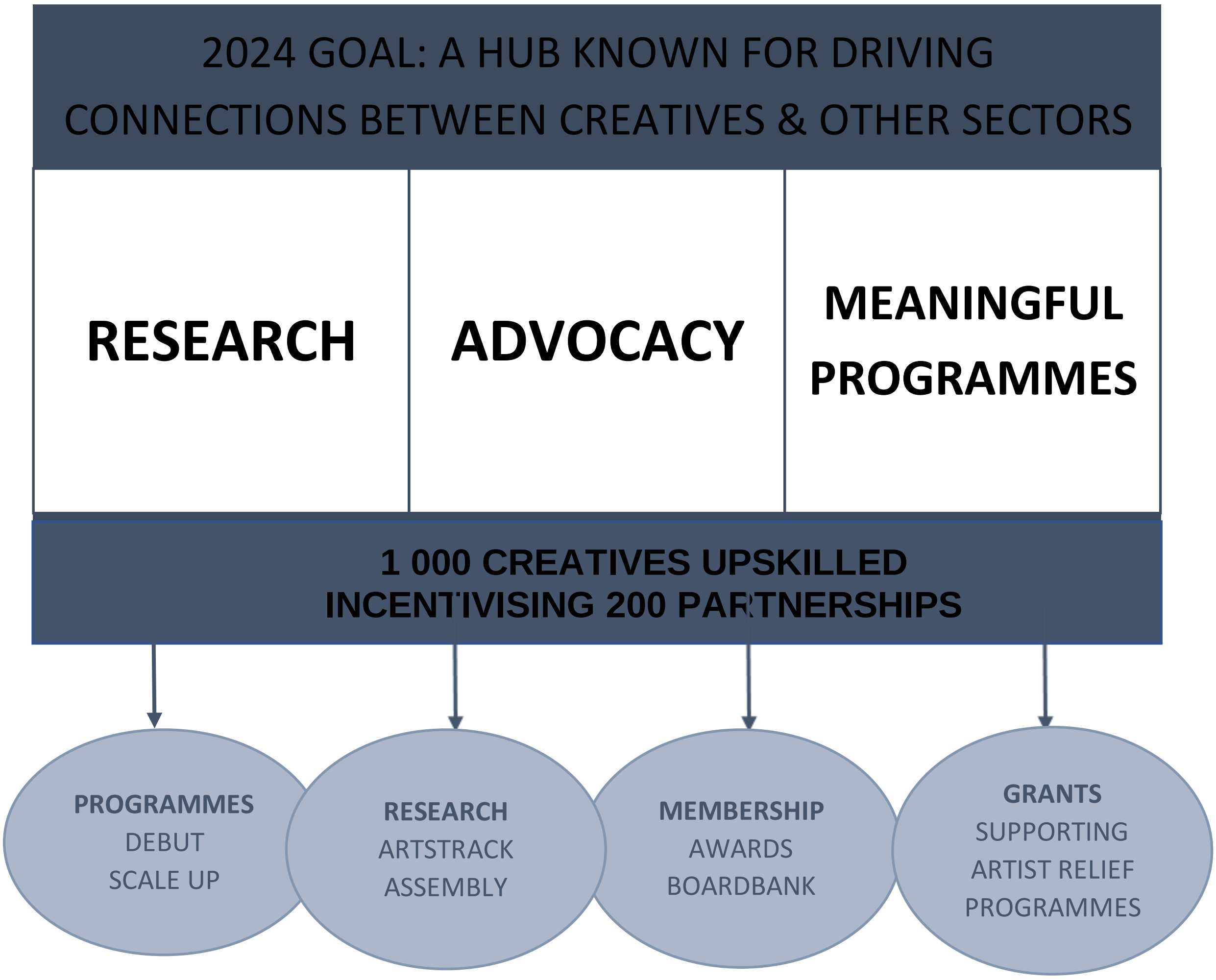


Figure 1: Overview of BASA Goal and Approach 2021–2024

1.3. Background and context of British Council South Africa

British Council has an international footprint in eight geographic areas:

Americas – East Africa – European Union – Middle East & North Africa – South Asia – Sub-Saharan Africa – United Kingdom – Wider Europe

The organisation's intention is to:

- connect the world with the UK's cultural riches
- create opportunities
- support artists
- strengthen perceptions: modern, vibrant, and creative UK
- encourage trade, investment, and tourism
- build social cohesion
- amplify brand development for UK and investors.

British Council has three divisions that focus on different offerings, services, and objectives:

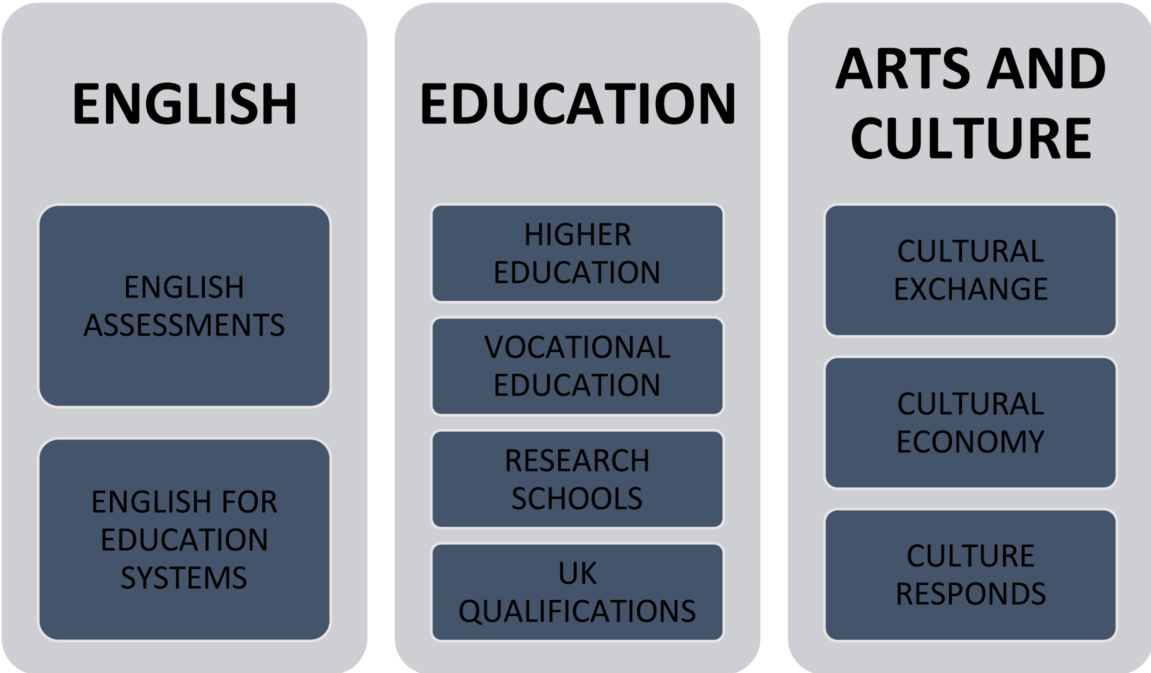


Figure 2: Three Divisions of British Council International

Within the above information each geographic area has different nuances and approaches relevant for their target audience. Within British Council South Africa’s Strategic Plan 2022–2025, they intend engaging with:

- a minimum of 50% of women
- youth 18–35, city-based, creative professionals in South Africa and the United Kingdom
- intermediary organisations that support and develop the above demographic.

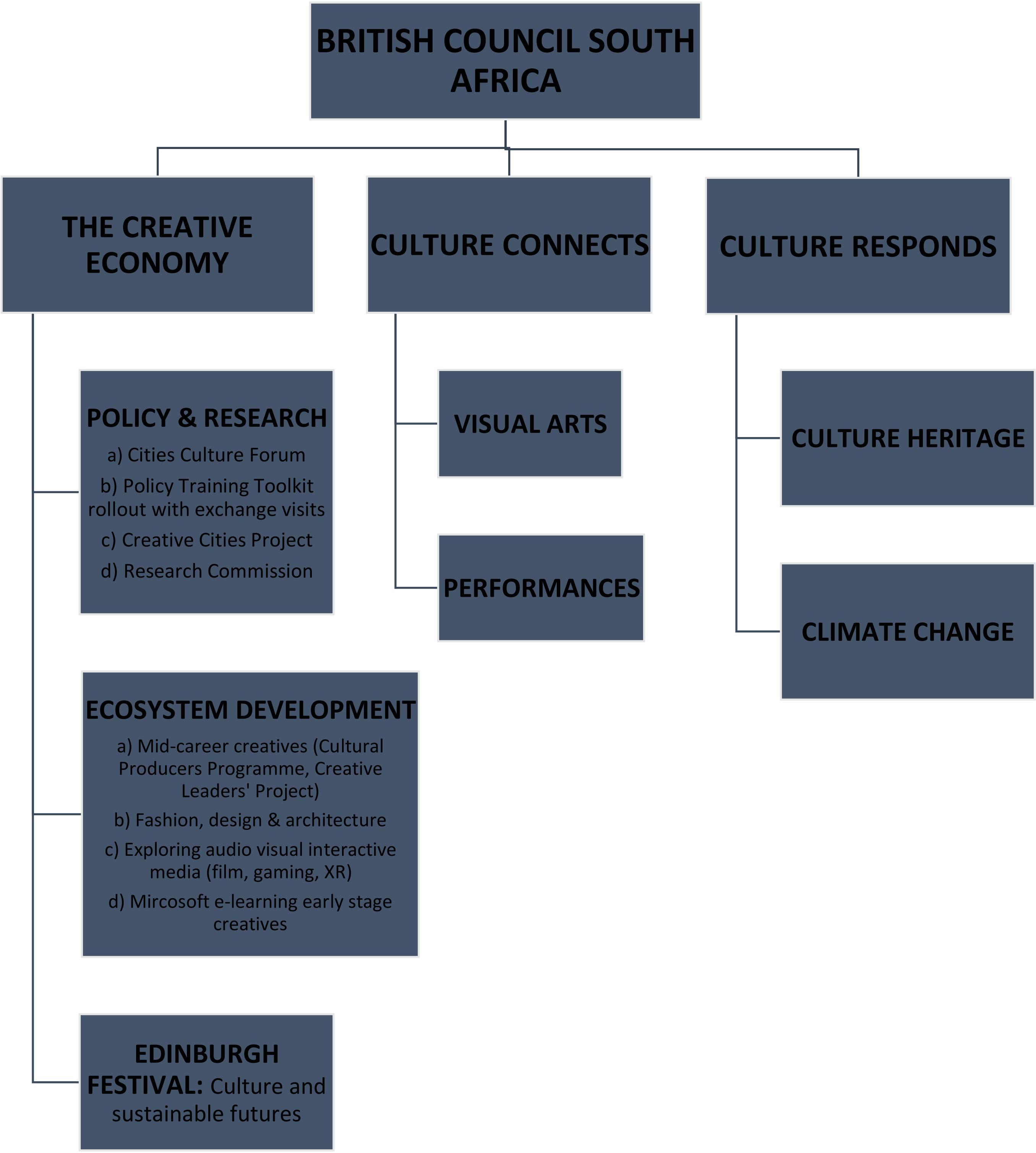


Figure 3: British Council South Africa Core Areas of Focus 2022–2025

2. GOALS AND METHODS:

2.1. Research Objectives

The key objectives in this research are:

- To research existing funding and partnerships with financial, in-kind or other potential benefits.
- To analyse and research thematic shifts that have taken shape over the last three years in the South African funding landscape.
- To offer recommendations for organisational business development strategies through both funding and approach.

2.2. Research Methodology

This report is primarily a desktop study on the funding landscape within the Creative Economy of South Africa. The purpose of the report is to get a better understanding on the current context, thematic changes and opportunities that may exist for British Council and BASA to consider in their business development and growth strategies.

A series of twelve interviews were conducted to get a better insight into practitioners' and creative professionals' experience within this context over the last three years. The interviews were semi-structured with a qualitative approach. The topic of 'funding landscape' has been approached broadly as the opportunities for financial and in-kind support and/or partnerships.

The report takes into account thematic shifts, limitations of desktop research, understanding of the creative economy currently and interviews in order to offer recommendations and key findings to the research.

Data collection:

- Interviews: semi-structured qualitative:
    - Creative organisations
    - Creative practitioners
    - Institutions and researchers
- Existing data:
    - Existing organisational data and research from BASA and British Council
    - Desktop research:
        - Based on information from the interviews and from organisational data and research
        - Network and existing information

2.3. Research Limitations

This research is being completed within six weeks. The six weeks includes all components of the research: desktop research, meetings, interviews, analysis, and recommendations. For this reason, the report will offer some insights into the current landscaping context within the Creative Economy, but further research is required to get a comprehensive, qualitative understanding of the thematic and financial shifts that may have occurred since 2020.

There were twelve interviews conducted with people who work within the following three sections:

- Creatives
- Creative independent organisations (both for and not-for-profit)
- Institutions and government entities

These interviews were done to gain a better qualitative understanding of the funding landscape in South Africa within the Creative Economy; however, there are other stakeholders with which we will need to engage, such as corporates, more government entities (national, provincial, and municipal), embassies and educators.

The second limitation of this research is that a great deal of support for the Creative Economy is not done through official funding channels but rather through partnerships and relationships. This makes it challenging to find all the necessary information via desktop research as this information is often not publicised through the media or online. It would be beneficial to have further in-depth research on this topic.

3. THE CREATIVE ECONOMY OF SOUTH AFRICA 2022 OVERVIEW

3.1. The Creative Economy: Definitions and Clarity

According to the 2022 Cultural and Creative Industries Masterplan (SACO, 2022) The following sectors fall within the Creative and Cultural Industry:

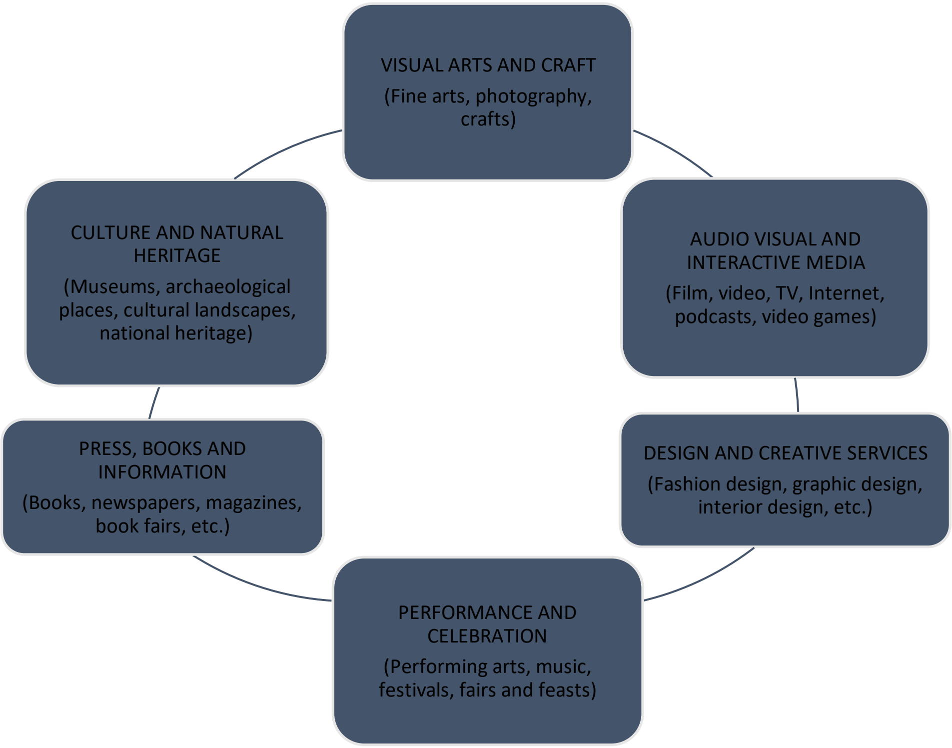


Figure 4: Sections Within the Creative and Cultural Industries

The 'Cultural Trident' (Higgs & Cunningham, 2008) is used to distinguish between the different components of the CCI. In the South Africa Cultural Observatory's Capstone Report (2022) the following employment statistics were evident:

A. **CULTURAL OCCUPATIONS IN THE CULTURAL INDUSTRIES (such as a curator in a gallery) – 0.4% of jobs (65 300 jobs).**
B. **CULTURAL OCCUPATIONS IN NON-CULTURAL INDUSTRIES (such as a curator in a bank's gallery) – 1.9% of jobs (320 000 jobs).**
C. **NON-CULTURAL OCCUPATIONS IN CULTURAL INDUSTRIES (such as an accountant in a theatre) – 3.7% of jobs (614 600 jobs).**

This breakdown gives rise to three distinct types of employment within the CCI.

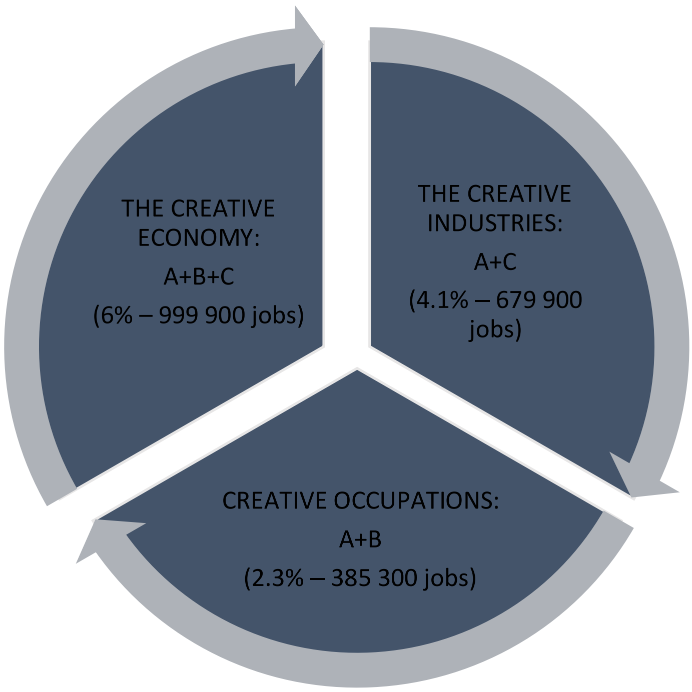


Figure 5: The Cultural Trident (Higgs & Cunningham, 2008)

Based on the above breakdown of the Creative and Cultural Industries, the Creative Economy of South Africa accounts for 6% of all jobs, which is just under one million. The Master Plan for CCI goes on to explain that the majority of these creative industries is made up of SMMEs and faces similar challenges to SMMEs from all industries. It is, however, clear that creative SMMEs do much better in an economy that officially recognises them and with a financial sector that is better adapted to finance them. This places SMMEs (inclusive of creative SMMEs) in developing countries at a disadvantage, as the financial institutions are risk adverse alongside the concept of the Creative Economy and creative industries being new and quite unknown. There are key challenges facing SMMEs in South Africa that, due to the nature of the CCI and that the majority of the industry is small and micro in size, has a direct impact on the potential growth of the Creative Economy.

Employment within the creative industries is broken down as follows (SACO, 2022):

- Visual Arts and Crafts – 44.5%
- Intangible Cultural Heritage (including categories such as traditional chiefs and heads of villages) – 22.5%
- Design and Creative Services: 13.4%
- Books and Press – 12.4%
- Performance and Celebration – 4%
- Audio and Interactive Media – 2.7%
- Cultural and Natural Heritage – 0.5%

Employment within the creative industries broken down per province (SACO, 2022):

- GAUTENG: 32%
- KWAZULU-NATAL: 18.2%
- WESTERN CAPE: 14.4%
- LIMPOPO: 10%
- EASTERN CAPE: 8.7%
- MPUMALANGA: 6.7%
- FREE STATE: 4.3%
- NORTH WEST: 4.2%
- NORTHERN CAPE: 1.6%

INTERNATIONAL TRADE: For the first time in 20 years, the import of cultural goods has been declining and some sectors are showing a positive cultural goods trade. Visual arts and crafts, books and press, performance and celebration are the most significant domains for cultural goods trade for South Africa.

> *In 2019, South Africa had a significant cultural goods trade surplus with the USMCA (of US$111.64 million), and with SADC and the rest of Africa (US$62.35 million and US$12.6 million respectively). The USMCA bloc has become an increasingly important destination for South Africa's cultural goods exports in Visual Arts and Crafts, Cultural and Natural Heritage, and Performance and Celebration domains. Visual Arts and Crafts exports to USMCA actually increased in 2020, as did Books and Press. South Africa's cultural goods exports to SADC also increased in 2020, during the COVID-19 pandemic (SACO, 2022).*

CHALLENGES FACING SMMEs IN SOUTH AFRICA
Lack of access to finance and poor profitability
Inadequate collateral, lack of credit history and an inability to produce a comprehensive business plan
Lack of access to vibrant markets
Legislation and regulatory burdens
Inadequate access to ICT and comms infrastructure, utilities, transport, land, or space at affordable prices
Inadequate support for building R&D, which could help transform ideas into sustainable businesses
Lower level of entrepreneurship and low levels of skills in enterprise, financial and business management

Table 1: Challenges Facing SMMEs in South Africa

3.2. Post-2020 Reality Check

The CCI appears to be a fairly volatile sector responding immediately and dramatically to changes in the GDP (SACO, 2022); alongside that, the sector has many people working as freelancers or project-based work (gig work) with many working in the informal sector. These facts contributed to the CCI seeing a larger, relative decrease in occupations compared to non-cultural occupations. The pressure to generate an income in a volatile sector has been noticed, alongside challenges for government support during COVID as so many fall within the informal sector and could not quantify their losses or prove their income generation prior to lockdown.

4. PERSPECTIVES FROM INTERVIEWS

4.1. Overview of Interviewees

Working purely with desktop research has its limitations – there is a great deal happening within the funding landscape of the Creative Economy of South Africa, but it is often not publicised as such, and to get an understanding of thematic changes, opportunities and shifts in approaches, twelve interviews were conducted with people who fall into different categories within the Creative Economy:

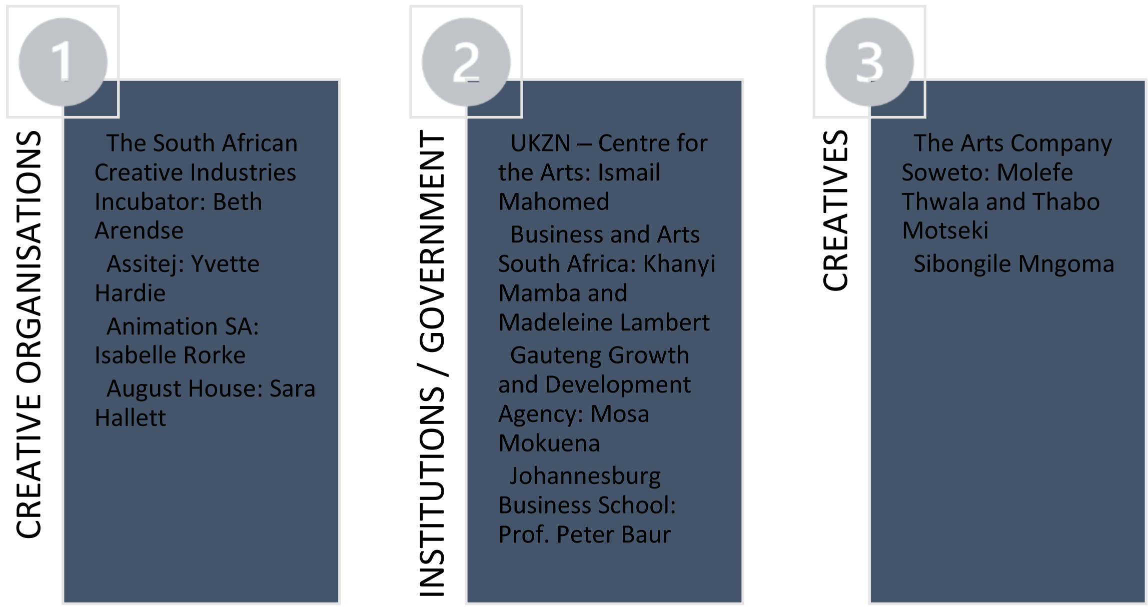


Figure 6: Categories of interviewees

These interviews are not conclusive; however, they do offer insights and perspectives from the interviewees. The three selected categories offer different perspectives on people working within the Creative Economy. The interviews were qualitative with a semi-structured approach, meaning that a set of questions were used during the interview, but the conversations were organic, with an allowance for the conversation to develop as needed. Below is a summary of key findings from the research. Please see Addendum 1 for more in-depth findings. These interviews contributed to the desktop research, potential leads to partnerships that could be developed and the recommendations for business development.

Although two years of COVID resulted in many challenges for businesses, two of the four creative organisations interviewed have seen growth in their organisations since COVID-19, with the third (August House Meta-Foundation) starting up during COVID.

- The South African Cultural Industries Incubator – their focal area of creative entrepreneurship has become a thematic focal area since COVID-19, which has allowed them to expand greatly through increased opportunities.
- Assitej – Through shifting their focal areas they have managed to grow the organisation exponentially through opportunities not within the creative sector: they are the implementation arm for the Department of Education's creative programming. They received funding from the IDC (International Development Corporation) for social employment.

Of the interviewees:

- 2 M&E or researchers:
  - Mosa Mokuena and Prof. Peter Baur
- 3 Practitioners:
  - Sibongile Mngoma (singer), Thabo Motseki and Molefe Thwala (visual artists)
- Seven arts administrators and leaders (running organisations or working within institutions)
  - Sara Hallatt, Isabelle Rorke, Beth Arendse, Ismail Mahomed, Yvette Hardie, Madeleine Lambert, Khanyi Mamba

4.2. Key Thematic Findings and Perceptions

Out of the twelve interviews all the practitioners and arts administrators said that they have seen changes in the funding landscape since 2020. Mosa Mokuena and Prof. Peter Baur received different questions based on their work within a university and the government. Below are key points made by interviewees during the interviews.

4.2.1 Key Changes

Figure 7: Key Changes within the Creative Economy of South Africa – interviewees' Perspectives

1. FEWER FUNDING OPPORTUNITIES

   The thematic areas for funding have changed, which has made it more challenging to secure funding for production. 'Art for art's sake' is a difficult space in which to get funding.

2. MENTAL HEALTH

   COVID-19 has had a devastating impact on the Creative Economy and on artists. The impact of job loss, lack of opportunities and isolation has led to the realisation that a focus on mental health and mental wellbeing is critical within the CCI.

3. DIGITAL PREVALENCE

   There has been a shift in how funding is allocated and the processes that open calls follow. Most funding opportunities have moved to a complete online system that, although more streamlined, has a negative impact on grassroots organisations. During lockdown there was a move to funding online projects rather than physical projects and although lockdown is now over this thematic area has remained.

4. A ‘CAN DO’ ATTITUDE

A breakdown in trust for government and institutional support has led to many creatives finding other avenues to sustain themselves and their craft. This is leading to a ‘can do’ attitude with more and more creatives trying to grow their revenue streams independent from funding and ‘middlemen’ – an example is visual artists selling artwork directly to consumers rather than trying to go through the galleries.

5. ACCESS TO MARKET

Funding opportunities are developing a stronger focus on wanting a clear access to the market component in proposals. This includes content disbursement.

6. LOCAL AND PROVINCIAL GOVERNMENT

- Local – There seems to be a better engagement between local community organisations being integrated into developmental plans. This seems most successful when there is an active arts lobby group within a specific local municipality.
- Provincial – There is not as much change and often a lack of clear policy, which makes it more difficult for the Creative Economy to engage with provincial government. Although not all provinces could be contacted for this research, Gauteng Province was contacted – both organisations working with the province and also departments of the province. The Gauteng Province has a goal to create one million jobs from the creative industries over the next four years, although two interviewees said five years, and one said it was initially meant to be 10 years. However, a limited number of organisations are being engaged in this process through the Creative and Cultural Industries Stakeholder Group. A war room was created by the Gauteng Economic Department to kick-start a range of projects, including the delivery of one million jobs from the Creative Economy. The GGDA has five focal areas: trade and investment, economic infrastructure development, enterprise development, skills development, and job creation. The Creative

Economy falls within enterprise and supplier development. It has been flagged as one of the ten high-growth areas for the *Growing Gauteng Together 2030 Plan*.

- Key concerns:
  - The target is too high
  - The number of implementation partners is too low
  - The approach is following a traditional industrialisation approach, which will not work in sectors such as animation
  - The demands and pressure are high on the implementing partners

7. COVID RELIEF SUPPORT

- Many who were interviewed believe that the COVID relief support offered by government and institutions has had a positive impact on the sector.
- Two focal areas were mentioned:
  - PESP: A range of support has been offered through the President Employment Stimulus Programme (PESP). The PESP is geared towards employment creation and retention initiatives for artists, creatives, heritage sector workers and cultural workers.
  - GIZ Support: Payment of interns within creative organisations for six months.

8. CREATIVE ENTREPRENEURSHIP

Funding has become focused on entrepreneurship and job creation. Before COVID-19, this was not a focal point to the same extent and was often seen as a topic not related to the arts. As one interviewee explains, prior to COVID-19 they applied for funding with the National Arts Council (NAC) for creative entrepreneurship training and were told that this does not fall under NAC's mandate, and they should apply to the Department of Trade, Industry and Competition (dtic). There now seems to be seems to be a realisation that entrepreneurship, sustainability, and business are critical for survival in the industry. There is, however, a gap between training and business skill needs, as creatives are seldom taught how to take content to market, but the focus is on their practice rather than on business skills.

9. ART FOR ART'S SAKE VERSUS THE CREATIVE ECONOMY

Many of the interviewees believed that it is not a choice between these two mindsets to art-making, but rather that both of these components are critical when making credible and impactful art when generating an income. There are many overlaps between the two perspectives.

- *'In South Africa there is no luxury to not consider generating money – that is not the reality for a township artist – it must generate an income. This is not a compromise – this is strategic and understanding entrepreneurship.'* – Beth Arendse.
- *'One has to acknowledge art for art's sake, but art always has an educational element. We do not want the arts to just be turned into tools to do other things, but the arts are intensely flexible and [a] potent mechanism and can do a lot of things simultaneously.'* – Yvette Hardie

4.2.2 What Re-Evaluation Could Fund-Based Organisations Shift for Receiving Funding?

Figure 8: Suggestions to Get Funding and Support – interviewees' Perspectives

1. THINK LIKE A BUSINESS:

- 'Grant funding hollows out the sector because you cannot make money. You can just take a management fee, usually of 10%. This is not sufficient for the company to sustain itself or run, whereas if I offer a service, mark-up can be added wherever I choose. Offering a service allows the organisation to generate income at a rate of 3 or 4 times the amount of what grant funding would offer.'
- '[With] grant funding every cent must be accounted for. This cannot be a focus as it is not sustainable; there needs to be an openness to asking for a service and getting a quote; start implementing business strategies within the organisation.'

2. LOOK OUTSIDE THE ARTS & CULTURE SECTOR

- The pool of money within the arts space is so finite and limited.
- Organisations being told numerous times that creative entrepreneurship has nothing to do with arts and culture and that this is related to business.
- Clients are not in the art space: it is not artists who come to the show or buy art; if you are running a business and trying to sell something who is your target market? We managed to articulate the value of the arts and culture sector and the Creative Economy to people who do not speak 'Arts.' There is money there; there are much bigger pools of money outside of our sector than within our sector. Farmers do not sell vegetables to other farmers – they sell to the supermarket that does not care about the details of farming but wants the product.
- There are larger budgets that can be accessed within corporate spend. CSI is 1% of the company spend, whereas ESD (Enterprise Supplier Development) funding is 10% or 11% and Skills Development is 6%.

3. ASSET-BASED APPROACH: WHAT DO WE HAVE AND WHAT CAN WE CREATE?

- Work more closely for partnerships where our internal strengths can be worked alongside other organisations' focuses and strengths.
- Focus on resources internally and how they can possibly stretch further, whether that be human resources, assets, or networks; look for the low-hanging fruit, as well as the strategic developments internally that can be implemented more quickly and more easily.

4. GROW PROGRAMMES THAT ALREADY EXIST

   Instead of continually developing new programmes, work on developing and growing the programmes that already exist through developing partnerships and asking for smaller amounts of money for specific intentions/interventions.

4.2.3 What Re-Evaluation Could Fund-Based Organisations Shift for Giving Funding?

Figure 9: Suggestions for Funders Offering Funding and Support – interviewees' Perspectives

1. LISTEN TO THE ARTIST (2)

Creatives know their sector from a very different perspective to that of institutions, government, and organisations and so they have relevant insight into their needs. They see what is lacking and what would help them grow, yet they are not engaged with or consulted enough on how the sector could be supported and developed. Some interviewees believed that the creatives need to be consulted much more about how funders could engage with them and their sector.

2. SUPPLIERS RATHER THAN FUNDING (3)

There needs to be growth opportunities for creatives to generate income through work. It is important to create systems where micro creative organisations are a key component of choosing suppliers for all elements of the corporation. Creatives are tired of seeking funding, thus introducing a stronger supplier opportunity would be beneficial to their organisations. Examples of this: designers, original visual arts as décor, furniture, interior design choices. Foreign entities such as British Council have potential to offer access to international markets.

'*Give us work. Give us access to market so we can produce work that is then bought, which allows us to do more work and expand our market.' Beth* Arendse

3. FOCUS ON FESTIVALS (2)

Festivals are an opportunity for a variety of creatives, organisations, corporates and funders to come together, which offer higher impact, artistic mobility, and social impact. This would include any form of meeting event, such as a traditional festival but also opportunities like 'Open Studios', which allows hundreds of visual artists access to market and marketing opportunities.

4. THINK LONG TERM (7)

The majority of interviewees believed that funders need to stop offering short-term projects and support and rather start thinking about more long-term strategic involvement. Filling in annual requests for support is time consuming and repetitive. Short-term projects are very frustrating as they do not offer stability for the organisations/creatives being supported. It would be more sustainable if support was a minimum of three years. Many of the interviewees stated that there was a strong belief that 'jumping' from one organisation/creative to another is not beneficial to the sector and long-term partnerships need to be developed.

5. COMMUNICATION AND OPEN SOURCE (2)

The nature of funding is project to project, often with limited engagement about the successes of a project shared in a deeper way that can allow others to learn and grow from the knowledge. The reports and information about the projects should be open source and accessible for others to learn from. There is an opportunity to create a ripple through the work being done, but this is only possible if the information is shared and communicated with others. An example of this is the Makers Way Project in Troyeville, Johannesburg. Although the funding has now come to an end, and the creative organisation behind the project management has closed down, the information is still available via a blog page. The people behind the project are still contacted (three years later) for academic papers, implementation teams and people wanting to do similar work. The blog page shared all the reports and methodologies behind the project so that others could learn and take the information that would benefit their work. It is an approach for the collective good of society. The blog page can still be viewed: https://makersway901418700.wordpress.com/

6. BE REALISTIC (2)

Those funding the creative sector need to know this community. There is a lack of understanding regarding the size and impact of arts organisations. Arts organisations do not have an impact on large numbers of people; rather they have a great impact on a small amount of people. The budgets given to creatives do not match the expectations of the funders, which results in disappointment and projects being closed. It is important for the funders to be more realistic with what can be achieved within a limited time on a limited budget. The bureaucracy of foreign (Western) systems on local organisations often leads to apathy and funding fatigue. More consideration of the context and the approach of organisations within that context is needed.

7. CREATE NETWORKS (2)

More and more artists are working in isolation as they become less dependent on funding and more entrepreneurial in nature. There is a need for networks to be established, which could cross over different sectors within the creative economy. Multiple 'spiderwebs' are needed across disciplines so that the eco-system is nurtured and grown.

8. SUPPORT THE ORGANISATIONS THAT SUPPORT THE CREATIVES

It is difficult / almost impossible for organisations to receive funding for internal capacity and human resources. Most funding is project-based, which leads to serious internal issues with capacity and growth (as there is no long-term sustainability for the organisations). The organisations that support the development and capacity of creatives are the bridge between government, funders, researchers, and creatives; and if they were better supported, then their impact could be vastly improved. The intermediary organisations have capacity for monitoring and evaluating projects and budget compliance, making sure funds go to the micro enterprises that require them – sustainability lies there.

'*We are the bridge between industry and the funders: specialists have network capabilities of how to grow the industry. If we had full-time staff, we would be able to plug those holes with simple things like paying for a person to do fundraising full time – a big game changer. Currently everything is volunteer based.'* Isabelle Rorke Animation SA

9. ENGAGE WITH TERTIARY INSTITUTIONS

Tertiary institutions have a more significant role to play in shaping the creative industry. Institutions are regurgitating outdated information resulting in unemployable graduates. Graduates need to be able to walk into an entrepreneurial space and be self-sufficient. There are opportunities to create better partnerships between adult education training and tertiary institutions. The UJ Business School has established ACRU – the Arts and Culture Research Unit, which intends creating more research in relation to the economy and the creative industries.

10. ENGAGE WITH ONE ANOTHER (3)

Funders need to engage better with one another and create partnerships. If the objective is to grow the Creative Economy of South Africa, then there must be greater communication and partnership between funders. This would enable everyone to be aware of the gaps and how they could support in a more productive manner. Funders need a holistic view of the cultural space in order to see where they, as funders, are placed and how partnerships could enhance and push existing projects. This would result in greater impact and more sustainability. There appears to be no synchronisation between funders, which does not benefit the eco system as a whole. There needs to be far more strategic thinking to enable a more cohesive system of funding.

11. SUPPORT, BUT NOT THROUGH FUNDING (5)

Some of the interviewees who fell into both the creative and creative organisations categories felt that the dependency on funding must change and funders could assist in that change. They felt that, rather than simply offering money, funders should provide opportunities for artists to become sustainable and independent. Instead of money, funders could offer low-cost studios or start-up capital.

It was suggested that rather than one large amount of money for one project, small amounts of funding could be used for more projects, and funding for early-stage creative businesses – a small amount such as R20 000 or R30 000 would make a dramatic difference to access markets via expos or websites, etc. This start-up funding could be done via intermediary organisations.

4.2.4 Thematic Shifts

Below are the thematic shifts that interviewees have experienced since 2020.

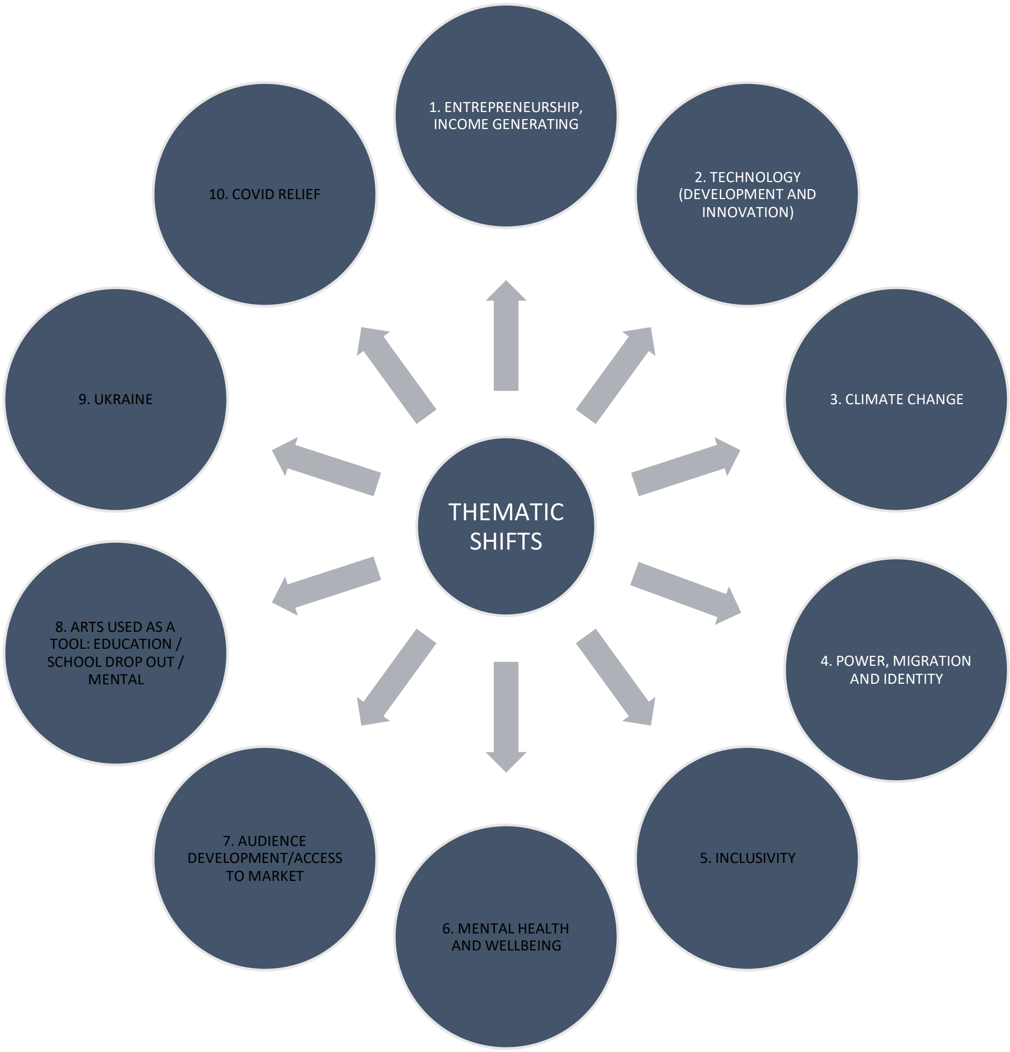


Figure 10: Thematic Shifts – interviewees' Perspectives

5. THE FUNDING LANDSCAPE OF SOUTH AFRICA

5.1. Overview of Possible Thematic Shifts and Focal Areas for Funders (Government Institutions and Private)

1. ENTREPRENEURSHIP AND JOB CREATION

There seems to be a great deal of change within the funding landscape of South Africa – the most notable is the push from government to create employment and more jobs across all sectors. The reason for this is that unemployment is at an all-time high especially amongst youth, with an unemployment rate being higher than the national average. According to the Quarterly Labour Force Survey (QLFS) (StatsSA, 2022) in the first quarter of 2022 the unemployment rate was 63.9% for those aged 15–24 years and 42.1% for those aged 25–34 years (the current national average is 34.5%). The Cultural and Creative Industries not only has a high percentage of people under 35 working within the creative trident, but also most are small or micro in size (with many working for themselves). Globally, across both developing and developed countries, studies show that micro and small enterprises are especially evident at the top of the supply chain in the creation stage, this aligns with another goal that the National Development Plan has as a target for 2030:

> *Small, Medium and Micro Enterprises (SMMEs) have been identified as a key component to advancing inclusive growth and development in South Africa. In the National Development Plan, government highlights the importance of these businesses for job creation, innovation, and competitiveness, with the goal that 90% of new jobs will be created by SMMEs in South Africa by 2030* (SACI, 2022: page 28).

This focal point of government has led to new initiatives such as the PESP (Presidential Employment Stimulus Programme), with DSAC receiving R678 million for both the sports and arts sectors.

2. CLIMATE CHANGE

Similarly, there are opportunities opening for the Creative Economy, which have the potential to contribute to social and economic wellbeing and development. The CCIs have the potential to reach and educate people in an impactful way, which, again, opens the channels for new partnerships and potential funding. An example of this is the development of the Centre for African Public Spaces platform, which connects key actors across different spaces and communities in Africa to learn from and build with each other. 'At its core, CAPS creates and hosts locally informed content to help expand and advance our collective understanding of public spaces,' (AfricanPublicSpaces.org). This initiative was started by the City of Johannesburg City Parks in 2018, but has developed through a partnership with UN-Habitat Global Public Space Programme and the GIZ Inclusive. They see the value of working with the CCIs, because of the value of micro and small enterprise development, youth focus and the interactive and engaging ability of the creative sectors.

The challenge with many of these new thematic areas is that the partnerships need to be developed and proposed by those within the CCIs to show the value of such engagements. Departments, organisations, and corporates may not initially see the possible partnerships.

3. 4IR AND DIGITAL DEVELOPMENTS

COVID-19 forced many to start finding innovative ways of working including digital platforms, online shopping and digital solutions to problems. To an extent, this has remained even after the lockdown limitations have been lifted. Within Africa there is an innovative attitude to problem-solving, especially with low-cost solutions offering opportunities for development and growth, as well as the Creative Economy becoming part of this discussion in a more substantial way.

> *Many identify an increase in the role of intellectual property as the primary site of value in 4IR as relates to innovation. Africa has an innovation economy that works with what it has, in order to find new strategies to solve old problems – and particularly in response to infrastructural problems. Simultaneously, African publics show a high propensity for innovation uptake and a responsiveness to change. This current trend of relatively low-cost development of innovative technologies with enthusiastic users and markets bodes well as a strong basis for an Intellectual Property (IP) orientation in the continent's strategy towards 4IR* (UJAC – Andani, 2021).

The South African Presidential Commission for the Fourth Industrial Revolution Report (Government Gazette, 2020) is a comprehensive breakdown of the vision and opportunities offered to South Africa within the Fourth Industrial Revolution. There are elements of the Fourth Industrial Revolution that offer opportunity for development, investment, and partnership with the Creative Economy. In some ways, the Creative Economy is a forerunner of some of the changes resulting from the Fourth Industrial Revolution. These shifts not only impact potential partnerships and funding, but also influence the approach and adjustments that need to be made in thinking that are easier to implement in small and micro enterprises than in large institutions and organisations.

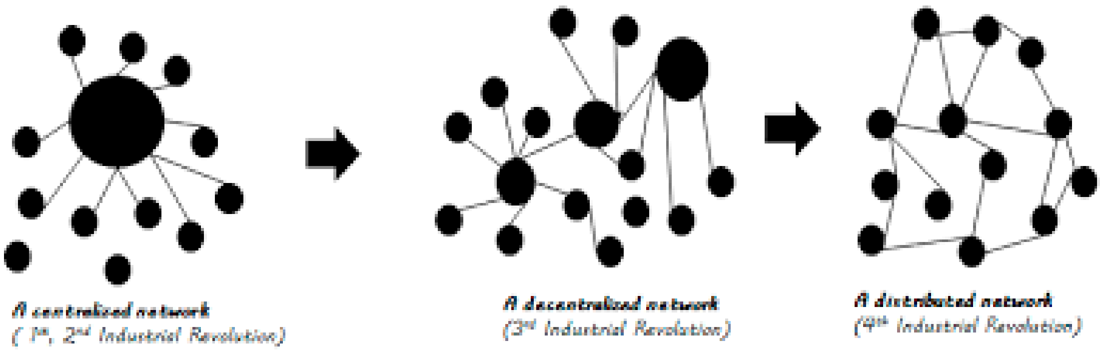


Figure 11: Industrial Revolutions and Network Relationships (Government Gazette, 2020: page 143)

An example of this is illustrated in Figure 11 above. The fourth industrial revolution is a "*distributed network where all connections have equal power and market size grows."* (Government Gazette, 2020: page 268). This shift in power dynamics influences how people work within their own organisation and with one another. A practical example of this is the democratisation that exists on the internet allowing all to have a voice via websites, social media, and other platforms.

'INCREASED COLLABORATION AND CROSS SECTOR COOPERATION WILL BE THE HALLMARK OF THE FOURTH INDUSTRIAL REVOLUTION'

Although the thematic shifts are being shown separately, they strongly overlap with a new sense of value in Fourth Industrial Revolution thinking, where investment is made in fields, which enhance social and economic impact. The National Science and Technology Forum (NSTF) states on their website (www.nstf.org.za) that the Creative Economy is particularly important to job creation and income generation (including through intellectual property rights). They go on to state that the creative economy can contribute positively to achieving the SDGs. Many of the changes that are pointed out within the Fourth Industrial Revolution are found within the creative and cultural industries and are fundamental to the way the sector operates, but there are also overlaps with the circular and social economy. These are points that many within the CCIs would overlook, such as: micro and small enterprises, flat model with a decentralised customised approach, profit with purpose, social impact, and awareness of carbon footprint. The South African Presidential Commission for the Fourth Industrial Revolution Report (Government Gazette, 2020) explains:

> *There are inter-relationships between each of the alternative economies wherein sustainable business ventures may reside. For example, consider the accessibility of rural areas to news, advertising, and public announcements through digital mediums of communication. The establishment of a digital marketing company, which identifies rural communities as their target market, would find itself in both the Creative Economy as well as the social economy. Through leveraging existing 4IR technologies, such a digital marketing company could serve as a bi-directional bridge between mainstream economies and rural areas. There are numerous opportunities that exist in the South African context which are similar to those mentioned in the example above.* (Government Gazette, 2020: page 80).

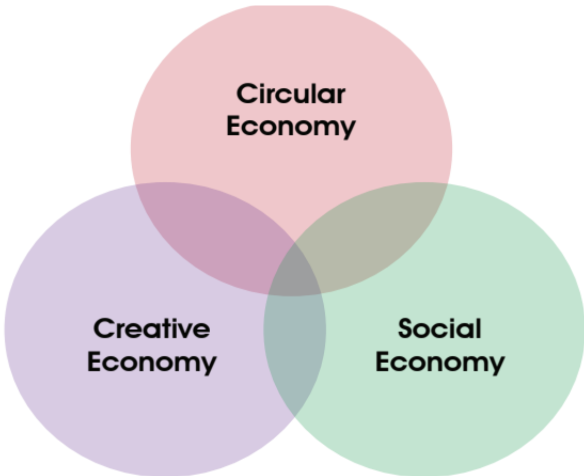


Figure 12: Future of Work Ecosystem (Government Gazette, 2020: 80)

The 'arts and culture' sector no longer has to remain within its silo, and it is through a re-evaluation of its role and approach that the real opportunities will open up. The United Nations General Assembly declared 2021 the International Year of Creative Economy for Sustainable Development (www.unido.org). The recognition acknowledged the need to 'promote sustained and inclusive economic growth, foster innovation and provide opportunities, benefits and empowerment for all and respect for all human life,' (Unctad, 2021). Creativity and the growth of new models that focus on sustainability, social impact and climate awareness are all areas of opportunity and growth for the CCIs of South Africa, and globally.

5.2. Existing and Potential Partnerships

Initially this section was sub divided into 'in-kind' support, financial support' and 'partnership through programmatic development' but based on the thematic shifts and the change in approach to sponsorship and partnership – it is not so easy to clearly define the difference between financial, in-kind and partnership support. The reality seems to be that partnerships can grow and develop from one of these components to another. However, instead of that form of breakdown, the sections will instead be broken down into:

- International donors and foundations that directly fund cultural activities in South Africa
- Corporate companies that support the creative and cultural industries of South Africa
- NGO/NPC that support the creative and cultural industries of South Africa
- Enterprises from the creative and cultural industries that support the creative sector of South Africa
- Educational institutions that support the creative and cultural industries of South Africa
- Government departments that could support or are supporting the creative and cultural industries through mutual objectives and goals

In a report by SACO on available funding for the cultural sector in South Africa (SACO, 2019), there is an acknowledgement that the CCI was attracting funding from several public and private sources, but that there is limited information on the sources of the funding and the amounts available. The outline below, which shows the partners and funders, is not comprehensive and has been achieved through collected data from BASA and the interviews, as well as desktop research. Key to the findings is that there is a short list of financial support through traditional funding methods (either government or NGOs/trusts) but when one looks more broadly at the potential for partnerships, funding, and in-kind support the lists grow exponentially. This points to the shift in approach for support where organisations and enterprises within the creative and cultural industries need to find potential partners that align with their objectives and propose partnerships to them. Often the support does not exist but, through mutual objectives and creative proposals, new partnerships and clients can be formed. If one is to only look for funding within the traditional landscape of the 'arts and culture' sector of South Africa, one will find an overpopulated space with limited budgets and support. This can be seen through the findings in the report on the funding landscape (SACO, 2019), which looked at existing support by government for the creative and cultural industries.

1. Partnerships with Government Entities

Figure 13 below shows a breakdown of government funding for the CCIs based on the above report. This breakdown is focused on the traditional funding bodies for the CCIs. During 2021, there was a great deal of backlash from creatives for the approach of these traditional funders, which led to a three-week sit-in at the National Arts Council. The protest was in relation to the R300 million allocation by government for PESP (2021, Persens). This protest, and others, have been part of the catalysts for creatives and creative organisations to re-evaluate the funding model and the dependency that comes with this model. There are broader discussions taking place globally and locally about the importance of incorporating the Creative Economy into strategic growth strategies. The 'Growing Gauteng Together 2030' is the province's plan of action. Within this report the creative and cultural industries are seen as one of the ten high-growth sectors. The vision is to create an efficient, competitive, and responsive economic infrastructure. What does this mean in practical terms and how can creative organisations engage?

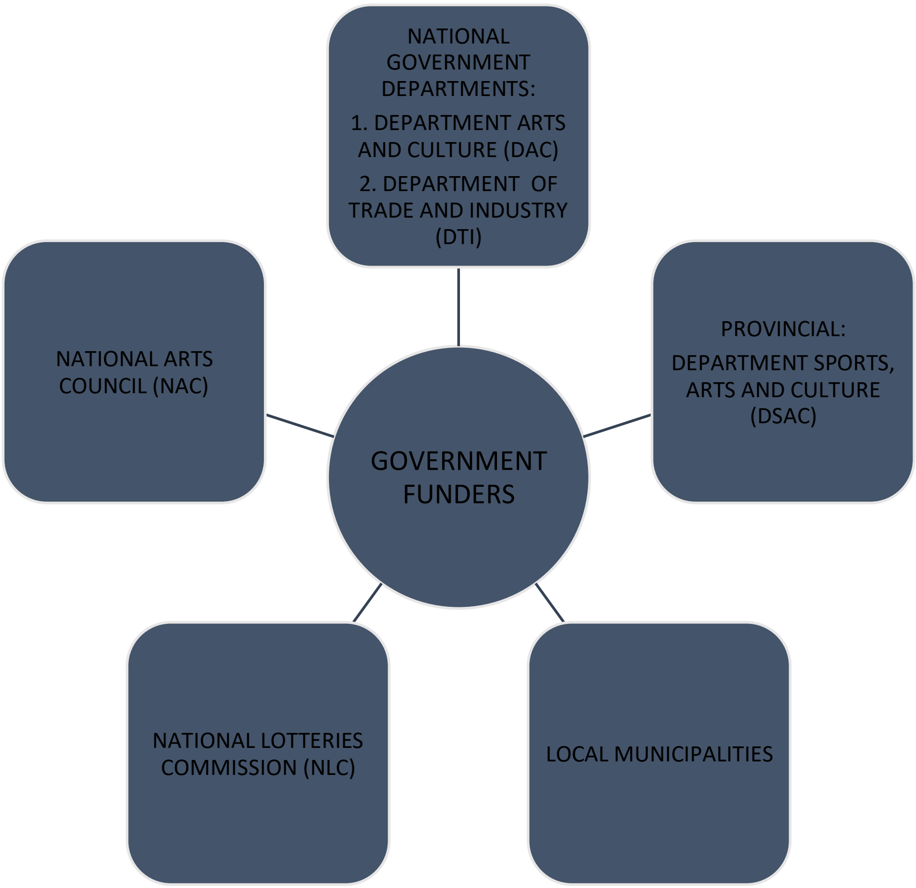


Figure 13: Government Funders of the CCIs (Saco, 2019)

2. Breakdown of Financial, In-Kind and Partnership Support for the Creative and Cultural Industries

In the same report (SACO, 2019), there is a breakdown of main private sector, non-governmental and international funders. The outline below focuses primarily on funders from the European continent, with a strong focus on embassies and cultural arms of embassies. Although this is important and relevant, it is not a comprehensive list of the funding landscape as there is no consideration for other forms of development and support of creatives, creative enterprises, and the development of the Creative Economy. The opportunities, innovations, and potential for a longer term, sustainable and a more equitable CCI does not lie in traditional funding models both for organisations and for creatives. The below table outlines the existing funders based on the above report, followed by a more comprehensive breakdown of organisations, government and corporate that have partnered with CCI enterprises and organisations.

INTERNATIONAL DONORS AND FOUNDATIONS THAT DIRECTLY FUND CULTURAL ACTIVITIES IN SOUTH AFRICA
SWEDISH – SOUTH AFRICAN PARTNERSHIP PROGRAMME / THE SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION
NETHERLANDS (THROUGH ITS EMBASSY)
PRO HELVETIA AND THE SWISS DEVELOPMENT CORPORATION
THE BRITISH COUNCIL
THE FRENCH INSTITUTE
THE DEUTSCHE KULTUR INTERNATIONAL
MMINO NORMWAY PROGRAMME
FLEMISH / BELGIUM GOVERNMENT
DANISH CENTRE FOR CULTURE AND DEVELOPMENT
FINLAND FUND FOR LOCAL COOPERATION
THE AFRICAN CULTURE FUND
UNITED STATES EMBASSY
ROCKEFELLER FOUNDATION BELLAGIO CENTRE
COMMONWEALTH FOUNDATION
CANADA FUND FOR LOCAL INITIATIVES
UNESCO
EUROPEAN UNION

Table 2: International Donors and Foundations that Directly Fund Cultural Activities in South Africa (SACO, 2019)

CORPORATE COMPANIES THAT HAVE SUPPORTED THE CREATIVE AND CULTURAL INDUSTRIES THROUGH FINANCE, IN-KIND AND PARTNERSHIPS			
Urban Space Management	Promise Branding Specialists	Instinctif Partners	Pattern Matched Technologies
Cooperative Innovations	Cape Gate	Liberty Group	Windsor Hotel
Nando's	Merrill Lynch South Africa	Eurocape Holdings	Transnet SOC
Distell	Aluminium Trading Group	Lefika Computer CC	Coca Cola
Flow Comunications	The Fulcrum Group	Tshidaho Construction	Keystone Apparel
Jaguar South Africa	CN & Co	Madi a Thavha Mountain Lodge	LANXESS (Pty) Ltd
Oxford Parks	Wlit Brewery t/a L7 Craft Beer	Pernod Ricard South Africa	Spier Wine Farm
BMW Group South Africa	Anglo American South Africa	JH Group	Bouchard Finlayson
The Standard Bank of South Africa	Paramount Group	Adams & Adams	Sinnovile Fabrics t/a Blue Label Yarn
MazarsTotal Energies	Quality Beverages	Browns The Diamond Store	Air France
Gearhouse Splitbeam	Environment Assurance	Workerslife	Event Alchemy
AkzoNobel South Africa	Flanagan and Gerard Investments	Connaught Properties	Cape Town Tourism
Rand Merchant Bank	GE Innovation Centre	JT International	Joburg Property Company
Investec	Matthews and Associates Architects	Tsogo Sun International	Hollard
Mindspace Consulting CC	SA Taxi Association	Redefine Properties	Interactive media
Adcock Ingram	The Forum Company	Total	Bakgatla-Ba-Kgafela Traditional Administration
Sirdar	BNP Paribas	First National Bank	Nokia
Mrs Woolf	Saint Gobain Construction	Meropa Communications	Harrie's Pancakes
MTN SA Foundation	Nedbank Limited	Bidvest	Cliffe Dekker Hofmeyer Inc.
The Bantry Bay Suite Hotel	PPC LTD	Kirchhoff Professional Surveyors	Mpress
Dulux South Africa	Sasol	Matthews and Associate Architects	Propertuity
Royal Hotel Riebeek Kasteel	ABSA	Pam Golding Properties	Gold Reef City Casion
Nike	Black Africa	Gooderson Kloppenheim Country Estate Hotel	Mark Thomas Architects
V & A Waterfront	Exclusive Books	Yoco	Mayford Seeds
Henley Africa Business School	Tollman Bouchard Finlayson	Easy Equities	Hemporium
J&B Printers	Cell C	Food Lovers Holdings	Pick n Pay
Legends Gaming Promotion	Telkom		RedBull
			SA Breweries

Table 3: Corporate Companies that have Supported the Creative and Cultural industries

NGO / NPC THAT HAVE SUPPORTED THE CREATIVE AND CULTURAL INDUSTRIES THROUGH FINANCE, IN-KIND SUPPORT OR PARTNERSHIPS			
Viva con Aqua	MTN SA Foundation		
Instekelelo	NATI – Nationale Afrikaanse Teater – Initiatief		
Friends of Johannesburg Art Gallery (JAG)	National Arts Festival		
African Fund Relief			
Common Purpose			
Recycling and Economic Development Initiative of South Africa (Redisa)			
Arts and Culture Trust (ACT)			
Fuchs Foundation			
Google Arts and Culture			
Jakes Gerwel Foundation			
John Elelrman Foundation			

Table 4: NPCs / NGOs that have Supported the Creative and Cultural Industries

ENTERPRISES WITHIN THE CREATIVE AND CULTURAL INDUSTRIES THAT SUPPORT THE SECTOR THROUGH FINANCE, IN-KIND SUPPORT OR PARTNERSHIPS			
Pop Art Studio	Meta Foundtaion		
Southern African Music Rights Organisation (SAMRO)	Strauss and Co		
Mrs Woolf	Spier Arts Trust		
The Drama Factory	FNB Art Joburg		
Fundacion Otro Sur	JHB Youth Orchestra		
The Marimba Workshop	African Music Instruments		
Top Seven t/a Benon Lutaaya (No longer exists)	Centre for the Less Good Idea		
The Coloured Cube (no longer exists)	Manchester International Festival		
Kalishnikov Gallery			
Reed Exhibitions			
Aspire Art Auction			

Table 5: Enterprises Within the Creative and Cultural Industries that have Supported the Creative and Cultural Industries

EDUCATIONAL INSTITUTIONS THAT SUPPORT THE CREATIVE AND CULTURAL INDUSTRIES THROUGH FINANCE, IN-KIND SUPPORT OR PARTNERSHIPS			
Royal School of Speech and Drama at the University of London			
The University of Johannesburg – Arts and Culture			
Sacred Heart College			
WITS			
Gordon Institute of Business			
The Johannesburg Business School – Centre for local economic development			
Henley Africa Business School			
University of Stellenbosch (Community Arts Centre)			

Table 6: Educational institutions that have Supported the Creative and Cultural Industries

MEDIA THAT SUPPORT THE CREATIVE AND CULTURAL INDUSTRIES THROUGH FINANCE, IN-KIND SUPPORT OR PARTNERSHIPS			
New Pan Hellenic Voice	Classic FM South Africa (no longer exists)		
Independent Media	KykNET		
Bay FM	Media24		
Desklink t/a Creative Feel	Metro FM		
Mnet / DSTV	SABC		
Kaya Fm			
SAfm			
Loan Shark Media & Advertising			
Radio Sonder Grense			
Die Burger			
Cape Talk Radio			

Table 7: Media that have Supported the Creative and Cultural Industries

GOVERNMENT DEPARTMENTS THAT COULD SUPPORT THE CREATIVE AND CULTURAL INDUSTRIES THROUGH MUTUAL OBJECTIVES AND GOALS
National Youth Development Agency
Gauteng Enterprise Propeller (GEP)
Gauteng Economic Development (GEP)
South African Enterprise Development Agency (SEDA)
Department of Trade, Industry and Competition (dtic)
Social Employment Funding
Industrial Development Corporation (IDC)
Joburg City Parks
Gauteng Growth and Development Agency (GGDA)
4IR Stakeholder Council (National)
CCI Stakeholder engagement committee (GED)

Table 8: Government Departments that could Support the Creative and Cultural Industries through Mutual Objectives and Goals

6. FINDINGS AND RECOMMENDATIONS

There are many changes that have taken place over the last year within the funding landscape of South Africa. Firstly, the idea of funding is being questioned on multiple levels and a shift in thematic purpose and approach is taking place on all levels within the creative and cultural industries. This shift impacts many components: first, it removes the hierarchy that exists within the funding landscape – if the approach changes, then there is a change in power dynamics between recipient and supporter where both are key players in the growth of the Creative Economy. This aligns with the shifts that are evident in the Fourth Industrial Revolution's working relationships compared to previous working approaches and network styles. Secondly, the expectation by creatives to receive and to be supported has the potential to shift, where the creatives start re-evaluating their role in income generation and sustainability and not simply wait for access to funding in a pool that is far too small for everyone. Thirdly, partnerships become crucial where organisations, institutions, government, and micro creative enterprises start looking at the eco-system of the creative economy as a networked web of contributors. This change in thinking is not yet the norm, but through the interviews and the desktop research it is evident that people working from very different angles within this sector are starting to see the need for substantial partnerships, long-term planning, aligned objectives and innovative thinking to grow and sustain the creative and cultural industries of South Africa.

This shift in approach and thinking may have been in motion prior to COVID, but the dramatic impact of a global pandemic has sped up the change and forced creatives, organisations, institutions, and government to re-evaluate their purpose, approach, and strategies. One of the most interesting shifts are: the reality that change is required, and the effort being taken to explore what that change may look like. While in the last two years, some organisations have closed or seen extreme budget and human resource cuts internally; others have seen exponential growth and opportunity. It is evident that there is a clear awareness of the importance to generate income and create employment opportunities for youth in South Africa. The organisations that have seen growth either pivoted with the opportunities and changes needed, or they were already thematically working in areas that became focal points. The introduction of creative entrepreneurship as being critical for the growth of the economic sector is an important change, as a researcher, there was an expectation of the creatives interviewed to argue this shift, but the opposite was true. Sibongile Mngoma, artist and activist stated the following:

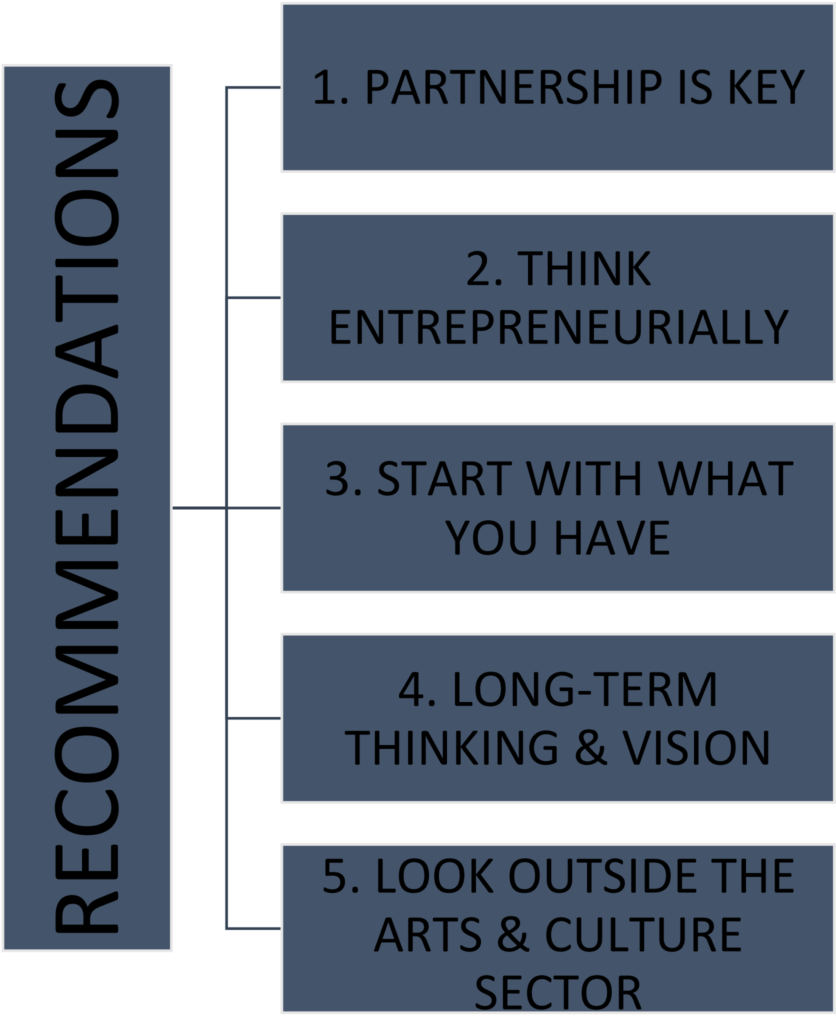
> *Art for art's sake is a cop-out to be lazy. We have the ability to be out of the box; to think bigger than that! Art is not a lazy space! We are not a charity case! I am a businesswoman, [a position] which has gained me great respect within the arts sector!*

This shift may be due to the challenges creatives faced trying to get support during COVID, alongside funders' fatigue and being tired of the dependency many feel towards the funder, towards government and towards the supporter. The unsustainability of the funding model is at the core of this – no organisation can sustain themselves when internal expenses, profit and human resources often cannot be included in budget breakdowns, which enforces a dependency and reliance on short-term project funding. By thinking entrepreneurially there is a sense of pride, independence, and authority that one feels. This shift is also taking place within organisations called 'intrapreneurship': which '*refers to a system that allows an employee to act like an entrepreneur within a company. Intrapreneurs are self-motivated, proactive, and action-oriented people who take the initiative to pursue an innovative product or service'* (investopedia.com). The challenge of developing this way of thinking within an organisation is that it must allow for the possibility of failure and exploration, which is often not viable in larger organisations that receive their mandates from higher up. Nevertheless, organisations need to start being action-orientated and proactive and to start thinking innovatively about how to stretch existing budgets to have the most impact. Isabelle Rorke, Chairwoman of Animation SA alluded to this in her interview, explaining that institutions and funders need to start talking to one another, to realise that they are part of an eco-system and if they truly want to see this eco-system grow and become sustainable, they must be aware of the big picture and whether their small contribution could be partnering with others to create long term and sustainable impact.

The other key learning from entrepreneurial thinking is to use what you have and work from that point. Sara Hallatt spoke about this approach in her interview – an approach that first analyses what is within an organisation or individual's reach without having to increase budget, capacity, or resources. Before motivating for budget increases and complaining about budget cuts – where do potential opportunities and partnerships lie? This again, is thinking like an entrepreneur who often must create with little access to support and income.

In practice, what does this mean and how can organisations like British Council and BASA approach their business development strategies?

KEY RECOMMENDATIONS FOR BUSINESS DEVELOPMENT STRATEGIES



PARTNERSHIP IS KEY

Budgets are being cut, human resource capacity is being stretched to its limits, and organisations, government departments and institutions are facing one global or local crisis after another; people are tired, anxious and overwhelmed, many are close to burnout but also very aware that there is important work to be done to contribute positively to the reality we all face. Partnership is what is needed and on a much more substantial and impactful way than ever before. Every organisation needs to see what their role is from a bird’s eye view. How do they fit into the larger picture of building a better and more sustainable Creative Economy in South Africa? Who can they help and who can help them to make sure that their role and objectives are fulfilled?

This way of thinking forces everyone to stop working within their silo or having 'light' partnerships and start thinking as a collective with the same objective – to grow and develop the Creative Economy. Through considered partnerships organisations can elevate their work, their capacity and their impact while achieving the same for the partner organisation. There are different strengths that can be brought together and allow for long-term impact and development.

An Example:

POTENTIAL:

ENTITY 1: The Small Enterprise Development Agency's (Seda) mission is

> *To promote entrepreneurship and develop small enterprises by providing customised non-financial business support services that results in business growth and sustainability in collaboration with other role players* (www.seda.org.za).

ENTITIES 2 & 3: British Council and BASA offer different programmes to develop creative entrepreneurship at entry and mid-career levels, with the intention to grow sustainable and self-sufficient creative enterprises.

Seda could be using their resources and offering this training nationally but currently there is little knowledge on the Creative Economy, creative entrepreneurship and how training and mentorship should be aligned to CCI.

BASA and BC, with all their knowledge and understanding of the Creative Economy, could partner and develop a facilitators training manual on creative entrepreneurship. This could then be taught to creatives interested in becoming facilitators who could in turn be hired by Seda to offer this training. A strong partnership between the three organisations would need to be established as it would be through BC and BASA that SEDA would connect with the network of creative entrepreneurs to attend the training.

Through this partnership, the resources available to BASA and BC could reach much further, as they could take on a role of educating a larger entity that has resources to reach a much larger pool than they do, but in the same light Seda would be able to gain access to a priority sector that many government and corporate entities have found particularly hard to engage with.

THINK ENTREPRENEURIALLY – A CREATIVE ENTREPRENEUR!

As stated earlier in this report, there are many challenges to the idea of 'Intrapreneurship' but there are certain elements of entrepreneurial thinking that are viable and possible to implement. Entrepreneurs see problems as potential opportunities. Opportunities for growth, for change, for experimentation. This way of thinking makes one open to changes and enables one to have the flexibility to act according to those changes. Secondly an entrepreneurial way of thinking is a way of thinking that harnesses what you have: passions, skills and experience of the team, resources internally and external networks.

People working within an organisation have many components that are taken for granted and an awareness of this reality can offer an opportunity to push further. For example, if one works within an established organisation, the following areas are not a concern (which, to a micro entrepreneur would be): salary, building, water and lights, an annual budget (no matter how small), a team (also no matter how small), a legacy, existing projects, a website, research, established local and international networks, etc. The creative entrepreneur (like a social entrepreneur) often takes this one step further and believes any change and work must generate an income while having a positive impact. It is in that space that entrepreneurial thinking could benefit organisations – how can we take what we have and make the most impact within our focal areas?

START WITH WHAT YOU HAVE

It seems to be a favourable action to start new projects annually, create new partnerships and have new exciting content to promote; however, this seems to be a possible waste of what already exists. Before strategising big changes to move with the times – it would make more sense to intensely analyse what already exists and consider how those programmes could be enhanced to have a greater impact. Existing partnerships and existing programmes are where one needs to start and look at them through a bird's eye view. One should start by considering how this programme could reach further, have a larger impact, create new partnerships and financial and in-kind support? How could the beneficiaries be pushed further and gain ongoing support and development?

EXAMPLE:

BASA's mission is:

> *BASA champions business investment in the creative sector by leading research that enhances commercial confidence. BASA builds capacity through its programmes and is shifting the paradigm for the future of partnerships between diverse stakeholders.*

BASA has over one hundred members who are all organisations interested in their offerings and the Creative Economy. On the other hand, BASA has beneficiaries that are part of their programmes throughout the country. BASA acknowledges partnerships between business and CCIs through their BASA Awards, but is there another way that partnerships could be created using what they have?

Founder and Director of the South African Creative Industries Incubator (SACII), Beth Arendse stated in her interview:

> *'Give us work. Give us access to market so we can produce work that is then bought, which allows us to do more work and expand our market.'*

Could BASA use their existing membership base and connections with government to establish a way that would make it easier for corporates to pursue micro creative enterprises as suppliers? This could include services such as: photography, visual arts for offices, performances, graphic design services, interior design services, workshop facilitators, website designers, app developers, etc. This could be done through controlled methods where beneficiaries who have attended the training and are formalised and compliant can apply to join the supplier database. Access to market is one of the key barriers to the growth, development, and sustainability of micro creative enterprises yet many of their services are used in all industries. How can that connection be made?

LONGTERM THINKING & VISION

Professor of Cultural Economy, Andy Pratt, points out that *'nearly every nation state is now pursuing creative economy strategies,'* (Pratt, 2022). There are many challenges including the barrier of the work patterns and approach of the creative economy, which does not work with generic industrial policies. In her report titled 'Creative Economy as a development Strategy: A view of Developing Countries' (2008) Ries points out that the development of the creative economy is the introduction of a new economic cycle – one that challenges the status quo and thrives for a wellbeing economy that is socio-economically inclusive.

Ries explains:

> *Another frequent question relative to the Creative Economy is its degree of novelty. In fact, if we are to understand the Creative Economy merely as a reordering of sectors within one category dubbed as "creative industries", there will be nothing new about it, since creativity has been recognised as fuel for innovation since the beginning of times. The novelty is actually found in the acknowledgement that the context, which is formed by the convergence of technologies, globalisation, and dissatisfaction with the current world socio-economic scenario, gives creativity the responsibility of motivating and founding new business models, organisational processes, and an institutional architecture that stimulates economic and social sectors and agents* (Ries, 2008).

There is a huge opportunity within South Africa for the Creative Economy to play a role in offering alternative approaches to how we work and where our focus lies, while having a positive economic impact. For this to be realised there is a great need for more research and for established organisations within the Creative Economy to be engaging outside of their silo. The projects and programmes offered must feed into a bigger picture that explore the flat model of the Fourth Industrial Revolution with many nodal points working together but independently. There is a great need for organisations that have a clear understanding of the creative economy to share that knowledge with a larger audience from other industries and from government.

LOOK OUTSIDE THE ARTS AND CULTURE SECTOR

In a recent report written by Deloitte and commissioned by Netflix, it is found that the Creative Economy is large and growing faster than the wider economy. The Creative Economy is becoming one of the drivers and key sectors in contributing to the growth of economies and employment.

> *Over the longer term, the Creative Economy is likely to be a key driver of economic growth as governments around the world look to rebuild their economies in the wake of the downturn associated with COVID-19. It is reasonable to expect that the sector will return to its long-term trend of growing faster than the wider economy…The importance of the creative economy for overall economic performance is therefore likely to grow. This means its importance for policymaking is also likely to continue to grow, with countries more or less well-positioned to take advantage of that underlying growth in global demand. While this study focuses on developed economies, middle-income countries are likely to show even stronger growth to the extent their overall national income grows faster* (Blackie, S, 2022).

This leads to an opportunity for organisations, institutions and government working within the creative economy to develop partnerships with sectors and industries not usually associated with the creative and cultural industries. Two of the people interviewed spoke about growth in their organisations between 2019 and 2022. The growth of the organisations was achieved through the development of partnerships outside of the traditional funding offered within the arts and culture sector.

THE SOUTH AFRICAN CREATIVE INDUSTRIES INCUBATOR

Beth Arendse, founder and director of SACII, explained how since the organisation was established six years ago, they have focused on developing partnerships with government and private entities looking at creative and micro entrepreneurship development.

The organisation's growth is attributed to:

- developing relationships with partners and clients, not funders
- not relying on traditional arts and culture funding but looking for partnerships externally that have a focus on entrepreneurship, micro, township and informal enterprise development.

ASSITEJ

Yvette Hardie, Founder and Director of Assitej, has seen growth over COVID-19 through developing a partnership with the Department of Basic Education and through the Industrial Development Corporation's fund for social good. Neither of these funders/partners are traditionally working within the arts and culture sector.

By being aware of the broader value that the Creative Economy offers, organisations can grow their networks, partnerships and clients in order to grow and sustain their organisations.

IDENTIFICATION OF PROSPECTS OR THEMATIC AREAS

Working within the recommendations above, as well as the key findings from the desktop research and from the interviews, below are suggested partnerships that relate to the current work that British Council is doing:

- Ecosystem development: partner with implementation organisations who have been tasked with creating one million jobs within the Creative Economy by 2026. Partnerships could be linked to access to market with UK, building capacity programmes, etc.
    - SACII
    - ANIMATION SA
    - TECHSPRUNG
    - NALEDI 3D
    - AIRCO

- Ecosystem development: partner with GDED (Gauteng Department of Economic Development) on growing interactive media: film, gaming, XR
- Policy and Research/Ecosystem development: The Johannesburg Business School Centre for Local Economic Development:
    - Recently opened a new research centre called ACRU (Arts and Culture Research Unit) that can offer research to be done through their Master and PhD students.
    - Training and teaching of entrepreneurial development through short adult courses – there is potential to offer short courses relating to the Creative Economy. Currently their main funder is dtic and there is room for growth as there is a gap when it comes to creative and cultural industry training.
- Visual Arts: Africa's largest open studios in the visual arts sector:
    - Engage and partner with Johannesburg Open Studios, which offers over eight creative hubs in Johannesburg access to market through a weekend event where the public can hop on and off taxis to see different studios. The objective is to grow the domestic market for visual arts.
- Cultural Heritage: The John Ellerman Foundation has just completed a once-off curatorial exchange between UK and SA. The programme was a great success with potential for further research and possibly partnerships to continue the initiative. Many of the curators were researching expatriation of items alongside storytelling and deeper understanding of the artefacts.
- Policy and Research: Creative Research Project
    - Joburg Parks' new Centre on African Public Spaces, as they are wanting to build partnerships and find ways to incorporate creatives into their research, projects, and development.

7. CONCLUSION

Many of the changes seen in the funding landscape of South Africa are not surprising and were evident prior to COVID-19. The early discussions were focused on how to shift away from a funding dependency to a partnership approach. The impact of COVID-19 has simply made these changes happen much faster.

Silo thinking, funding dependency and project-based approaches are being challenged in order to find better and more sustainable ways for the CCIs to grow and contribute more substantially to society at large. Its potential contribution is a focal point for governments globally, offering organisations working within this sector opportunities to navigate new terrains and forge new relationships. The challenge of this is that it is dependent on an entrepreneurial way of thinking where the opportunities need to be presented to potential clients and partners as they may not yet be fully evident. For example, the IDC were not looking at the Creative Economy when offering funding for social good, yet some organisations, such as Assitej, aligned directly with their requirements and objectives. There are numerous opportunities of this nature as the creative economy crosses many focal areas such as informal, micro and township economies, employment opportunities, youth development and entrepreneurship, social impact and education. It is a mindset that needs to be changed when seeking support and partnerships that will allow these opportunities to open for organisations within the creative and cultural industries. Being aware of the economic impact and the entrepreneurial nature of the Creative Economy does not remove the value of ‘art for art’s sake’ but rather expands the potential, as well as the way that society at large perceive this industry.

The Fourth Industrial Revolution is challenging the world of work and its outdated norms based in previous industrial revolutions and instead is offering the Creative Economy an opportunity to be a key player in the discussion and how we grow a sustainable, inclusive and diverse society.

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