

# KZN FILM SECTOR BASELINE STUDY

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## DOCUMENT DETAILS

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<b>Prepared for:</b>	Moses Kotane Institute in partnership with the KwaZulu-Natal Film Commission (KZNFC)
<b>Contact person:</b>	Moses Kotane Institute (MKI) – Dr Thembinkosi Twalo (Manager: Research and Development) Email: <a href="mailto:thembinkosi.twalo@moseskotane.com">thembinkosi.twalo@moseskotane.com</a> Tel: +27 31 266 1777 KwaZulu-Natal Film Commission (KZNFC) – Dr Ngqabutho Bhebhe (Manager: Research) Email: <a href="mailto:ngqabuthob@kwazulunatalfilm.co.za">ngqabuthob@kwazulunatalfilm.co.za</a> Tel: +27 31 325 0216
<b>Prepared by:</b>	Urban-Econ Development Economists (Pty) Ltd
<b>Contact details:</b>	37 Hunt Road Glenwood Durban 4062 South Africa Tel: +27 (0)31 202 9673 Email: <a href="mailto:durban@urban-econ.com">durban@urban-econ.com</a>
<b>Contact person:</b>	Eugene de Beer Tel: 0827793821 Email: <a href="mailto:eugene@urban-econ.com">eugene@urban-econ.com</a>



**\*Disclaimer:** The research and analysis contained in this report are based on acceptable planning parameters and information available to the researchers at the time of the study. The decisions based on the findings in this report are those of the investor and Urban-Econ Development Economists cannot be held responsible for any changes that may occur in the environment and economic conditions of the study area.

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## LIST OF ACRONYMS

<b>AFDA</b> – Africa Film Drama Art School
<b>CIGS</b> – Cultural Industries Growth Strategy
<b>CIIS</b> – Creative Industries Implementation Strategy
<b>CFAD</b> – Centre for Fine Art Animation and Design
<b>DTI</b> – Department of Trade and Industry
<b>DTIC</b> – Department of Trade, Industry and Competition
<b>DACST</b> – Department of Arts, Culture, Science and Technology
<b>DUT</b> – Durban University of Technology
<b>EIA</b> – Economic Impact Assessment
<b>EMIA</b> – Export Marketing and Investment Assistance
<b>GDP</b> – Gross Domestic Product
<b>IDC</b> – Industrial Development Corporation
<b>IP</b> – Intellectual Property
<b>IPAP</b> – Industrial Policy Action Plan
<b>KZNFC</b> – KwaZulu-Natal Film Commission
<b>MICT SETA</b> – Media, Information and Communication Technologies Sector Education and Training Authority
<b>MPPC</b> – Motion Picture Patents Company
<b>MKI</b> – Moses Kotane Institute
<b>NDP</b> – National Development Plan
<b>NPC</b> – National Planning Commission
<b>NFVF</b> – National Film and Video Foundation
<b>SAFI</b> – South African Film Industry
<b>SWOT</b> – Strengths, Weaknesses, Opportunities and Threats
<b>UKZN</b> – University of KwaZulu-Natal
<b>VOD</b> – Video on Demand

## LIST OF DEFINITIONS

1. **Above the line** usually refers to the part of a film's budget which covers the costs associated with major creative talent: the stars, the director, the producer(s) and the writer(s), although films with expensive special effects (and few stars) have 150 or more 'above the line' budget costs for technical aspects. 'Below the line' is the opposite of 'above the line'.
2. **Actor** refers either to a male performer or any male or female who plays a character role in an on-screen film; alternate gender-neutral terms: player, artist, or performer.
3. **Actress** refers to any female who portrays a role in a film.
4. **Animation** (and animator, animated films) is a form or process of filmmaking in which inanimate, static objects or individual drawings (hand-drawn or computer-generated imagery (CGI)) are filmed 'frame by frame' (i.e. one frame at a time) each one differing slightly from the previous frame to create the illusion of motion in a sequence, as opposed to filming naturally-occurring action or live objects at a regular frame rate. Often used as a synonym for cartoons (or 'toons' for short), although animation includes other media such as claymation and computer animation; see also CGI, claymation, stop-motion, time-lapse.
5. **Art director** refers to the individual (a member of the film's art department) responsible for the design, construction, look, and feel of a film's set, including the number and type of props (furniture, windows, floors, ceilings, dressings, and all other set materials) and their placement.
6. **Audience** refers to spectators, viewers, participants – those who serve as a measure of a film's success. Although audiences are usually viewed in universal terms, they can also be segmented or categorised (e.g. 'art film' audiences, 'chick film' audiences, etc.).
7. **Basic price** is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, plus any subsidy receivable, on that unit as a consequence of its production or sale. Basic price = Factor cost + Production taxes – Production subsidy.
8. **Below the line** includes production expenses that are not above the line, such as costs of material, music rights, publicity, the trailer; opposite of 'above the line'.
9. **Box office** is the measure of the total amount of money or box office receipts paid by movie-goers to view a movie; also referred to as B.O. or gross. It is usually divided into domestic grosses (unadjusted and adjusted for inflation) and worldwide grosses.
10. **Camera operator** is the individual who is responsible for operating the camera under the direction of the film's director and director of photography (or cinematographer).
11. **Cast** is a collective term for all of the actors/performers (or talent) appearing in a particular film; usually broken down into two parts: the leads with speaking roles, and the seconds or supporting characters, background players or extras, and bit players.
12. **Casting** is the process of selecting and hiring actors to play the roles and characters in a film production and brought under contract. The lead roles are typically cast or selected by the director or a producer, and the minor or supporting roles and bit parts by a casting director. Type-casting refers to an actor playing only roles similar to those he/she has played before.
13. **Choreographer** (by extension, choreography) is a person who plans, designs, organises, sequences, and directs dancing, fighting, or other physical actions or movements in a film or stage production. A dancer is known as a hooper.
14. **Cinematic** means relating to or suggestive of motion pictures; having the qualities of a film.
15. **Cinematographer** (cameraman or director of photography) is the person who supervises all aspects of photography, from the operation of cameras to lighting.
16. **Cinematography** (also cinematographer) specifically refers to the art and technique of film photography, the capture of images, and lighting effects, or to the person expert in and responsible for capturing or recording images for a film through the selection of visual recording devices, camera angles, film stock, lenses, framing, and arrangement of lighting. The chief cinematographer responsible for a movie is called the director of photography (or DP) or first cameraman.
17. **Compound Annual Growth Rate (CAGR)** is a measure of growth over multiple periods.
18. **Costume** (or wardrobe) and costume design refer to the garments or clothing worn by actors/performers in a film. A costume (or wardrobe) designer researches, designs, and selects the costumes appropriate to the film's historical period, the characters, their location, and their occupations, whereas the costumer (or stylist) is responsible for acquiring, selecting, manufacturing, and/or handling the clothing and accessories. A costume drama is a film set in a particular historical period, often with elaborate costuming.
19. **Crew** refers to those involved in the technical production of a film who are not actual performers.
20. **Cumulative** refers to a figure that grows over a period.
21. **Director** (and directing) is the creative artist in complete artistic control of all phases of a film's production (such as making day-to-day determinations about sound, lighting, action, casting, and editing), for translating/interpreting a script into a film, for guiding the performances of the actors in a particular role and/or scene, and for supervising the cinematography and film crew. The director is usually the single

person most responsible for the finished product, although he/she could not make a film without the support of many other artists and technicians. Often the director is called a helmer (at-the-helm); the assistant director is known as the AD; the director of photography (or cinematographer), responsible for the mechanics of camera placement, movements, and lighting, is known as the DP.

22. **Documentary** is a non-fiction (factual), narrative film with real people (not performers or actors). Typically, a documentary is a low-budget, journalistic record of an event, person, or place. A documentary filmmaker should be an unobtrusive observer, like a fly on the wall, capturing reality as it happens. It is also known as a doc or docu; or called direct cinema. A docudrama is a dramatised film based on real events; a mockumentary takes the form of a documentary to satirise its subject, whereas cinema verité shows people in their day-to-day lives.
23. **Editing** (editor) is performed by a film editor and is the process of selecting, assembling, arranging, collating, trimming, structuring, and splicing (joining together) many separate camera takes (including sound) of exposed footage (or daily rushes) into a complete, determined sequence or order of shots (or film) which follows the script. Digital editing entails changing film frames by digitising them and modifying them electronically. Relational editing refers to editing shots to suggest a conceptual link between them. An editor works in a cutting room. The choice of shots has a tremendous influence upon the film's final appearance.
24. **Editor** (cutter) is the person responsible for assembling the various visual and audial components of a film into a coherent and effective whole.
25. **Executive producer** is the person responsible for overseeing a film's financing or for arranging the film's production elements (stars, screenwriter, budgeting/financing, etc.).
26. **Factor cost** is the total cost of all factors of production consumed or used in producing a good or service.
27. **Feature (film)** is a 'full-length' motion picture, one longer than 60 minutes in length (but usually about 90–120 minutes) with a particular theme. Also known as a theatrical; contrast to 'shorts'.
28. **Festival** is an event at which films can be premiered, exhibited, awarded, and engaged in distribution deals; also known as 'fest'. Examples include Cannes, Toronto, Sundance, etc.
29. **Film** (1) as a verb, means to record a scene or to make (or lens) a motion picture; (2) as a noun, refers to a motion picture, or (3) the thin strip of material on the film negative (with a base and light-sensitive coating of emulsion) that is used to create images through light exposure. A film clip is a short section of film removed from a movie and often exhibited; a part of a film, and sometimes a complete scene or sequence, taken from a film; similar to an excerpt.  
The Films and Publications Act, 1996 defines 'film' as:  
'(a) any sequence of visual images recorded on any substance, whether a film, magnetic tape, disc or any other material, in such a manner that by using such substance such images will be capable of being seen as a moving picture;  
(b) the soundtrack associated with and any exhibited illustration relating to a film as defined in paragraph (a);  
(c) any picture intended for exhibition through the medium of any mechanical, electronic or other device.'
30. **Film industry** the term film industry describes a much more specific group of companies of businesses.
31. **Film sector** the film sector refers to a large segment of the economy.
32. **Filmmaker(s)** is a collective term used to refer to a person(s) who has (have) a significant degree of control over the creation of a film: directors, producers, screenwriters, and editors.
33. **Foreign/international** refers to films that are produced outside of South Africa.
34. **Gross Box Office** is measured in terms of the number of tickets sold at a cinema(s) or the amount of money raised by ticket sales (revenues).
35. **Gross Domestic Product (GDP)** is the monetary value of all finished goods and services made within a country during a specific period. The GDP provides an economic snapshot of a country, used to estimate the size of an economy and growth rate. GDP can be calculated in three ways, using expenditures, production, or incomes (Investopedia, 2020). Gross Value Added (GVA) measures the contribution of an industry to an economy, producer, sector or region.  
GDP at market prices = GVA at basic prices + Product taxes – Product subsidies.  
GVA at factor cost + (Production taxes less Production subsidies) = GVA at basic price.
36. **Investment multiplier** refers to the concept that any increase in public or private investment spending has a more than proportionate positive impact on aggregate income and the general economy. It is rooted in the economic theories of John Maynard Keynes.
37. **Line producer** is the film producer who works on location and is responsible for daily operations and budget of a particular film shoot – to manage the day-to-day aspects involving all of the people and expenses.



38. **Location** (or 'on location') entails the properties or places (interior or exterior) used for filming away from the studio, set, or (back)lot, often to increase the authenticity and realism of the film's appearance. Exteriors is abbreviated as ext., and interior as int.
39. **Market price** is the price at which a product is sold in the market. It includes the cost of production in the form of wages, rent, interest, input prices, profit etc. as well as the taxes imposed by the government. When the government grants subsidies to the producer that also would be reflected in the price.  $\text{Market price} = \text{Basic price} + \text{Production taxes} - \text{Production subsidy}$ .
40. **Market share** is the percentage of an industry or market's total sales that is earned over a specified period.
41. **Motion picture** (movies, pic(s), pix, or 'moving pictures') is a length of film (with or without sound) with a sequence of images that create an illusion of movement when projected; originally referred to the motion or movement (due to the principle of persistence of vision) perceived when a string of celluloid-recorded images were projected at a rate of 16 or more frames per second; an art form, and one of the most popular forms of entertainment, known archaically as a photoplay during the silent era.
42. **Narrative film** is a structured series of events, linked by cause and effect, which provide the plot of a film; a film that tells a chronological or linear story (with a beginning, middle, and end), as opposed to non-narrative films, such as poetic or abstract films.
43. **Post-production** is the final stage in a film's production after principal photography or shooting, involving picture editing, the addition of sound/visual effects, musical scoring, mixing, dubbing, distribution, etc. Digital post-production can also include changing facial expressions, removing flaws or obtrusive objects (microphone, boom, etc.), enhancing the visual image, etc. It is also known as post; contrast to pre-production.
44. **Pre-production** is the planning stage in a film's production after the project is finally greenlighted and before principal photography or actual shooting commences, involving script treatment and editing/rewriting, scheduling, set design and construction, casting, budgeting and financial planning, and scouting/selection of locations; contrast to post-production.
45. **Producer** (film) is one or more of the principals of a movie production, involved in various logistical matters (i.e. scheduling, financing, budgeting); raises funding and financing, acquires or develops a story, finalises the script, hires key personnel for cast, crew, and director, and arranges for distribution of the film to theatres; serves as the liaison between financiers and filmmakers while managing the production from start to finish (post-production).
46. **Production design** refers to a film's overall design, continuity, visual look and composition (colours, sets, costumes, scenery, props, locations, etc.) that are the responsibility of the production designer. The art department consists of the people in various roles (e.g. matte painters, set designers and decorators, illustrators, title designers, scenic artists, and storyboard artists) who work under the production designer's supervision; the art director is responsible for the film's physical settings (specifically refers to the interiors, landscapes, buildings, etc.).
47. **Production** is the general process of putting a film together, including casting, set construction, costuming, rehearsals, and shooting; also refers to the middle stage of production which is preceded by pre-production and followed by post-production.
48. **Qualifying South African Production Expenditure (QSAPE)** refers to the cost incurred on goods and services as a result of production, and these goods and services should be delivered and provided in South Africa by a legal registered South African entity.
49. **Release** (or released) refers to the first distribution and general public exhibition of a film to theatre audiences for viewing.
50. **Rentals** compose the portion of film grosses that goes to film distributors; also refers to DVD rentals.
51. **SA/Locally produced** refers to films that are produced by South Africans and shot in South Africa and further includes films classified as 'national films' by virtue of having received official co-production status from the NFVF.
52. **Screenwriter** is the scripter who writes an original film screenplay or adapts another work into a screenplay.
53. **Script** (also shooting script) refers to the written text of a film – a blueprint for producing a film detailing the story, setting, dialogue, movements and gestures of actors and the shape and sequence of all events in the film; in various forms, such as a screenplay, shooting script, breakdown script (a detailed, day-to-day listing of all requirements for shooting, used mostly by crew), lined script, continuity script, or a spec script (written to studio specifications). A screenplay writer is known as a screenwriter, scripter, scribbler, scribe or penner; a last-minute script re-writer is known as a script doctor. A scenario is a script that includes camera and set direction as well as dialogue and cast direction. A shooting script is a detailed final version of the screenplay with the separate scenes arranged in proper sequence and used by the cast during actual filmmaking.
54. **Set** is the environment (an exterior or interior locale) where the action takes place in a film. When used in contrast to location, it refers to an artificially constructed time/place (e.g. a backdrop painting or a dusty



Western street with a facade of storefronts); supervised by the film's art director. Strike refers to the act of taking apart a set once filming has ended.

- 55. **Shoot** is the process of filming or photographing any aspect of a motion picture with a camera; the plan for a shoot is termed a shooting schedule.
- 56. **Studio(s)** refers to (1) the for-profit companies that specialise in developing, financing and distributing most American commercial films; or (2) the actual site for a film production, with physical sets, stages, offices, backlots (located on the outdoor grounds of a film studio and used for filming exteriors), etc.
- 57. **Theatre** is the place for screening, presenting, or viewing a film or motion picture; also known as cinema.
- 58. **Video** means "to see," in other words, the visual or pictured image (either projected, taped, etc.), as opposed to the audio aspect of film; also refers to the visual component of television. Digital video refers to a video signal represented by a series of binary numbers that are readable by computer – compare with analogue video. AKA vid (for short).
- 59. **Visual effects** is considered a sub-category of special effects and refers to anything added to the final picture that has not been in the original shot. Visual effects can be accomplished in-camera (like stop motion, double exposures and rear/front projection) or via several different optical or digital post-production processes (CGI, for example), usually with a computer.

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## EXECUTIVE SUMMARY

A baseline report on the KwaZulu-Natal (KZN) film sector was last conducted in 2015. The current study focuses on the KZN film sector and aims to identify and highlight the main **economic changes** that have occurred in the sector since the last baseline study.

This study also aims to provide a more detailed and comprehensive range of themes than the previous baseline study. This is to provide the reader with a clear snapshot of the KZN film sector in 2020. These themes include transformation aspects of the sector, B-BBEE legislation, sustainability of the sector, legislative environment, innovation in the sector, institutional arrangements, incentive support and the impact of COVID-19 on the KZN film sector.

## RESEARCH METHODOLOGY

The study employed a multi-pronged approach comprising a total of 315 surveys, desktop analysis and engagement with key stakeholders. Two surveys were developed and administered during this study which included a student and graduate survey and a business survey. The study made use of a mixed approach of quantitative and qualitative research methods. Both secondary and primary research were conducted.

A total of 189 students and graduates responded to the student and graduate survey. Students and graduates were from the University of KwaZulu-Natal (UKZN), Durban University of Technology (DUT), Africa Film Drama Art School (AFDA), Creative Arts College, Movietech Film and Television College and the Centre for Fine Art Animation and Design (CFAD). The aim of this study was to get a minimum of 200 respondents, however, only 189 students and graduates responded to the survey. The reason for the shortfall in respondents were due to the connectivity challenges due to the nationwide lockdown. Despite these challenges, the current responses were deemed sufficient to provide a good understanding of the current status quo in the KZN film sector.

A total of 126 businesses responded to the business survey. The study aimed to collect responses from a minimum of 20% of the KwaZulu-Natal Film Commission's (KZNFC) database comprising 774 KZN film and TV businesses, however a response rate of 16% was achieved which was sufficient to provide a good overview of the KZN film sector. The study aimed to get a good representation of businesses from all parts of the film value chain (development, pre-production, production, post-production and distribution), however responses from businesses in the production stage were over-represented. However, the responses were sufficient to provide the researchers with good understanding of the overall state of the KZN film sector business environment.

All survey data was logically and systematically interpreted. Some of the survey results are highlighted below to provide a summary of some of the key findings from the study.

### **POTENTIAL AREAS OF IMPROVEMENT IN THE KZN FILM SECTOR**

KZN students and graduates suggested the following areas of improvement for the local film sector:

- The provision of more employment opportunities for graduates in the form of internships and mentoring.
- Increased access to bursaries and scholarships.
- Creating a trusted KZN agency that will assist students and graduates during and after studies.
- Increased funding for young filmmakers.
- Increased transparency in the sector by making film budgets and funding of productions public knowledge.
- Increased access to filming equipment such as, cameras, sound and lighting equipment to young filmmakers.
- Increased provision of filming equipment at affordable leasing rates to students and graduates.
- Improving the curriculum so it is more practical and less theory-based.
- Increase the number of local productions.
- Hiring more KZN residents in local productions.
- Improving information flow in the sector and updating the KZNFC website.

In terms of the business survey, most businesses surveyed (78%) outlined that more institutional support is needed to stimulate growth in the KZN film sector.

Key potential areas for the further development of the film sector outlined from a KZN film and TV businesses perceptive, include:

- Increasing access to the latest sector information and knowledge about projects, programmes and productions.
- Improving equality and accountability in the sector to address corruption and nepotism.
- Increasing skills development initiatives in the sector.
- Improving access and support in distribution and exhibition channels.
- Improving access to funding.
- Improving curriculum design at the film schools to make it more practical.
- Ensuring that there is less red tape in the film production process.

## **GROWTH IN THE KZN FILM SECTOR**

Over the last decade, there have been positive changes in the KZN film sector. The province is the third largest in the country in terms of its film sector, followed by Gauteng and the Western Cape (NFVF, 2017). Durban has become a hotspot for filming. The region has received international recognition and accolades for successful locally-produced movies (DFO, 2020).

In terms of the Department of Trade, Industry and Competition (DTIC) film incentives, KZN, received 0.9% of the grant funding and three approvals between 2018 and 2019 (DTIC, 2019). The film sector investment multiplier equates to 2.1 which is much lower than film sector investment multiplier of the Western Cape and Gauteng (DTIC, 2019). The term investment multiplier refers to any increase in public or private investment expenditure that has a more than proportionate positive impact on aggregate income and the general economy (Investopedia, 2019). With regard to the investment needed to create additional employment opportunities, Urban-Econ estimated that the investment required in KZN is much higher than in Gauteng and the Western Cape, at R314,767 per additional job in the sector<sup>1</sup>.

In terms of productions, COVID-19 played a crucial part in the decline of productions filmed in KZN. The Durban Film Office confirmed that more than double the number of productions were filmed, and number of production permits issued in first six months of 2019, than in first six months of 2020.

It is estimated in Section 5 of the report that the KZN film sector contributed over R875 million in terms of production expenditure in the economy between 2019 and 2020<sup>2</sup>. This expenditure translates into a total value of R464 million to KZN's Gross Domestic Product (GDP) . The income contribution of the sector equates to R307 million and 2,782 employment opportunities in the same period<sup>3</sup>.

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<sup>1</sup> Calculation based on DTI 2019 incentive statistics and is unpacked in section 5 of this report.

<sup>2</sup> All estimates are based on the modelling methodology applied in section 5 of this report.

<sup>3</sup> All estimates are based on the modelling methodology applied in section 5 of this report.

## **SECTION ONE: INTRODUCTION**

### **INTRODUCTION**

A baseline report on the KwaZulu-Natal (KZN) film sector was last conducted in 2015. The KwaZulu-Natal Film Commission (KZNFC) in partnership with the Moses Kotane Institute (MKI) now seeks to review and update the 2015 report.

This baseline study is a cross-sectional survey of the KZN film sector which provides both quantitative and qualitative data. This study also provides information about current issues and trends in the sector.

It should be noted that this study took place during a time when the film sector worldwide is undergoing fundamental changes and challenges. The COVID-19 pandemic has influenced all dimensions of the historical practices and trends of the sector. This has an impact on this study as some of the most recent trends and the immediate future trends are unclear at this stage.

#### **1.1 RESEARCH PROBLEM AND SCOPE OF THE STUDY**

Countries around the globe face different circumstances which impact how their film sector develops and thrives (WIPO, n.d.). The film sector, like many sectors in the economy, changes rapidly and is impacted by various factors such as technology, income, socio-cultural influences, legislation, etc.

The South African film sector is a valuable contributor to economic value creation and employment. Therefore, it is essential that the impact of the sector is measured consistently so that improvements are continuously implemented, and deviations are corrected swiftly. A baseline study provides information that is critical for planning and developing programmes that can make an impact on growing the sector.

The mission of the KZNFC is "To be a catalyst for transformation, job creation and sustainability through funding, human capital development and the promotion of KwaZulu-Natal" (KZNFC, 2019). However, the KZNFC does not have updated information regarding the status quo of the film sector, particularly with respect to transformation, employment, funding, and human capital development. For this reason, KZNFC, in collaboration with MKI, have commissioned a study to address this information gap.



The study focuses on the KZN film sector and aims to identify and highlight the main trends, issues and changes that have occurred in the sector since 2015. The study takes place within the context of the national and, to a certain extent, the international environment.

The scope of this study includes establishing:

- a) The contribution of the KZN film sector to the provincial GDP and the national GDP.
- b) The impact of the sector in terms of job creation.
- c) The transformational aspects of the sector.
- d) Barriers of entry existing in the sector.
- e) The supply side of the sector, training programmes and students who enter the sector.
- f) Financing mechanisms in the sector.

## **1.2 RESEARCH METHODOLOGY**

This study made use of a mixed approach of quantitative and qualitative research methods. Both primary and secondary research were conducted during this study.

### **1.2.1 Secondary Research**

The secondary research component of this study took the form of a desktop review of previous baseline reports, key research reports and statistical databases. This was conducted to record the status of the KZN film sector. Baseline studies of the South African film sector have already been conducted through research that has been ongoing since 1998 and repeated in 2000, 2013, 2015<sup>4</sup> and 2017. The previous baseline studies, therefore, provide the foundation and context against which the current study is benchmarked.

The secondary data sources included documents from Statistics South Africa (StatsSA) and available international, national and local statistics. Other institutions such as South African Revenue Services (SARS), National Film and Video Foundation (NFVF), Department of Trade, Industry and Competition (DTIC), Industrial Development Corporation (IDC), Department of Sport, Arts and Culture, Department of Labour, Durban Film Office, Durban FilmMart, South African Guild of Actors (SAGA), South African Guild of Editors (SAGE), Writers Guild of South Africa (WGSA), South African Freelancers Association (SAFREA) and Media Information and Communication Technologies Sector Education Training Authority (MICT SETA), among others, were also contacted during the course of this study to identify other secondary sources of information on the sector. A full stakeholder list can be found in Appendix 1.

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4 This was a Provincial Film Sector Study for KwaZulu-Natal.

### 1.2.2 Primary Research

Primary research in the form of two electronic surveys was conducted to supplement the secondary research and to further understand the nature, form and size of the KZN film sector.

#### Primary Data Collection

Two online surveys were prepared and sent out to local television (TV) and film students and graduates and businesses in KZN. The KZNFC's databases of bursary students and KZN film businesses were used in addition to the researcher's own databases for primary data collection. The rationale for using the KZNFC database is that this was the most comprehensive database available to the researchers as a source of information of KZN graduates and businesses since this information could not be sourced from other organisations.

#### Primary Data Instruments

The two primary data instruments used in this study include:

❖ Survey 1: KZN Student and Graduate Survey

The link to the KZN Student and Graduate Survey was emailed to personnel from the following institutions:

- University of KwaZulu-Natal (UKZN).
- Durban University of Technology (DUT).
- Africa Film Drama Art School (AFDA)<sup>5</sup>.
- Creative Arts College.
- Movietech Film and Television College.
- Centre for Fine Art Animation and Design (CFAD).

Most of the above institutes agreed to distribute the survey link to their students. In addition to this survey link distribution, a total of 87 KZNFC bursary students were also invited to participate in the survey. However, not all of these students responded to the survey. The total response rate for this survey is outlined in the following page.

❖ Survey 2: KZN TV and Film Business Survey

The KZNFC's filmmakers, actors and freelancer database, consisting of 1077 KZN film and TV businesses, was used in this study. From the 1077 stakeholders, 774 emails containing the link to the survey successfully went through to the intended participants. These included businesses throughout the TV and film value chain. These businesses engage in one or more of the following services to the film sector: accommodation, accounting services, acting services and supply of actors to the sector, camera

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5 Registered with the Department of Higher Education and Training as the South African School of Motion Picture Medium and Live Performance.

operation services, catering, directing, editing, graphic design, lighting, location scouting, photography, production, script supervising, stunts and transportation services.

### **Response Rates**

- ❖ Survey 1: KZN Student and Graduate Survey

A total of 189 responses were collected from students from UKZN, DUT, AFDA, Creative Arts College, Movietech Film and Television College, and CFAD. The response rate was 46%.

- ❖ Survey 2: KZN TV and Film Business Survey

From the 774 KZN film and TV businesses, a total of 126 businesses responded to the survey. The response rate was 16%.

### **1.2.3 Limitations of the Data and Information**

The electronic surveys enabled the collection of detailed information from KZN film sector students, graduates and businesses for the calculation of economic indicators. Film sector stakeholders who did not have online access or connectivity are not included in the survey responses.

COVID-19 and the resulting nationwide lockdown in South Africa negatively impacted the response rates of the surveys and stakeholder engagements as many businesses were not operating at full capacity and some were temporarily closed. In addition, many businesses were dealing with more pressing issues and therefore opted out of participating in this study. The nationwide lockdown posed significant challenges and delays in reaching stakeholders. Digital platforms such as Zoom and Microsoft Teams were used to mitigate against some of these constraints.

In addition, institutions such as UKZN, Creative Arts College, Movietech and CFAD were under-represented in this survey due to technical issues that these institutes faced as a result of the nationwide lockdown. However, since survey questions focused on the general state of the KZN film sector, the responses from the students from any KZN institutes were deemed sufficient to provide the researchers with the necessary information to complete this study.

### **1.3 CONCLUSION**

This study focuses on the KZN film sector and aims to identify and highlight the main changes that have occurred in the sector since the last baseline study in 2015. The study also goes beyond what was covered in the previous baseline study. The study occurs within the context of the national and international environments. The next section conceptualises this study and provides a foundation for the rest of the study.

## SECTION TWO: SCOPING THE FILM SECTOR

### INTRODUCTION

The film sector encompasses various activities across the film value chain. The definition of the film sector impacts its quantification, namely, the GDP contribution of the sector and employment figures in the sector. Previous baseline studies in South Africa utilised different definitions of the film sector. The lack of a standardised definition across previous studies becomes problematic when comparing economic indicators using these studies. This section of the report aims to define the film sector and outline the film value chain activities that will form the basis for quantification of the sector in KZN.

### 2.1 DEFINING THE FILM SECTOR

The Cultural Industries Growth Strategy (The Department of Arts, Culture, Science and Technology, 1998) defines the film sector as part of the broader communication, entertainment, and media industries. The film sector in South Africa falls under the mandate of the National Department of Sport, Arts and Culture. The film sector falls within the Department's Cultural branch and includes the audio-visual and interactive media sector which covers film, video and television production, as well as video games. Furthermore, the Revised White Paper on Arts, Culture and Heritage (Department of Sport, Art and Culture, 2017) discussion document defines the audio-visual sector as including film, television, photography, video and broadcasting.

The NFVF defines the South African film sector as inclusive of the following categories:

- Feature films.
- Documentaries.
- TV series and films (including broadcaster commissions).
- Animation series and,
- Short films.

Thus, based on the definition applied by the NFVF, the economic contribution of TV commercials, still photography, contemporary new media platforms and gaming are excluded from the sector.

Furthermore, the NFVF states that the South African film sector encompasses those activities which arise in South Africa from companies and/or individuals employed in the:

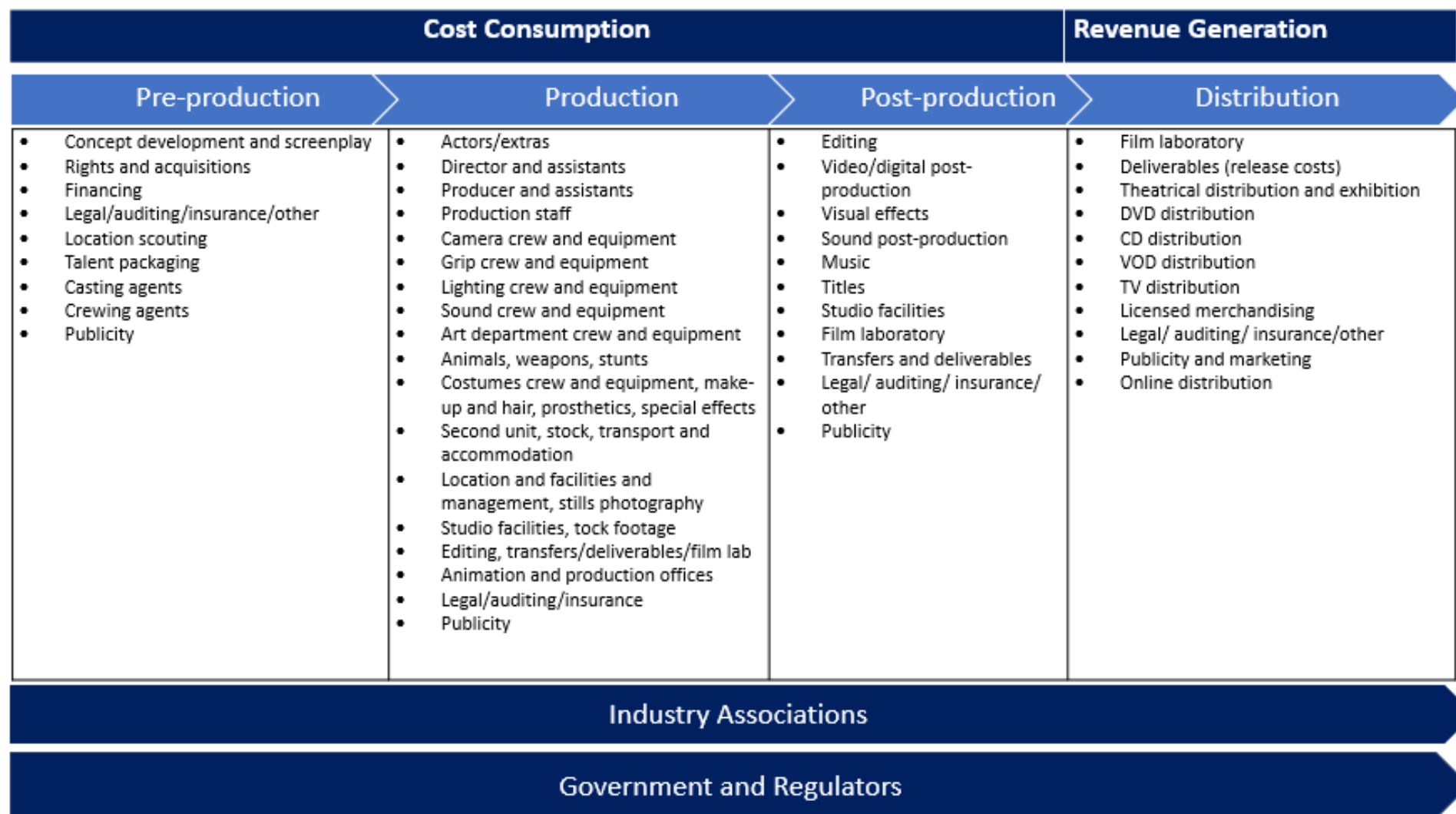
- Different stages of film production in South Africa (including pre-production and post-production).
- Distribution of films in South Africa and,

- Exhibition of films in South Africa.

## **2.2 THE FILM SECTOR VALUE CHAIN**

The film sector value chain consists of the following steps: development, pre-production, production and post-production (Deloitte Best Practice Research, 2013). The final product is distributed or exhibited (in the case of cinema) to the target market. At each stage of the value chain, the product becomes more valuable since value-adding activities occur at each stage of the filmmaking process. Figure 1 provides a graphical representation of the film sector value chain.

Figure 1: The Filmmaking Process and The Film Sector Value Chain



Source: Adapted from Deloitte Best Practice Research, 2013



### **2.2.1 Development and pre-production**

The processes of developing a film incorporate concept development, packaging and financing for the film. In concept development, the idea is formed, target audience research is conducted and, finally, the preferred producers, directors and actors are selected to support the creation of the film. During this stage, the film idea is packaged in an attractive form and used to obtain funding. The financing stage is vital as the sector is perceived as high in costs and risk (NFVF, 2017).

The pre-production stage is where all planning, budgeting and scheduling transpire. It incorporates the creative, technical, artistic, photographic, locational, casting and support planning (NFVF, 2017).

### **2.2.2 Production**

Filming occurs during this phase, consisting of programming, film animation and other production support activities. The participants include production companies, actors, crew, animators and other support service providers. Most support activities and service providers are involved in this phase. These create sector linkages with other sectors such as transport, construction, tourism and more (NFVF, 2017).

### **2.2.3 Post-production**

Final operations are conducted during this stage. These are activities which add final editing touches to the filmed product, including special effects and sound. Post-production participants consist of effects and sound editors (NFVF, 2017).

### **2.2.4 Distribution**

Distribution entails monetising the film product and includes marketing, delivery, circulation and, finally, audience consumption. Distribution agreements may be formed between distributors and independent or major (i.e. globalised distribution) producers. Independent agreements are drawn up when the distributor purchases or finances the film/video and sets certain requirements such as upfront minimum guarantees. Distribution role-players include cinemas, video retailers/renters and festival organisers.

As soon as distributors choose a film to screen, exhibitors are allowed to view the film before circulation. This culminates in the selection of the number of prints to produce as well as deciding on the final exhibitors (NFVF, 2017).

## **2.3 CONCLUSION**

The South African film sector includes feature films, documentaries, TV series, TV films, animation series and short films. From the value-chain sub-section, it is clear that the film sector covers many activities and several industries. In terms of employment creation, the film sector generates employment directly in production and post-production companies, casting and crewing agencies, equipment-hiring companies, set design and manufacturing companies and prop suppliers. Employment is also created indirectly in supporting industries such as the hospitality sector in catering firms and hotels, training and education and the transport sector. The next section outlines the key trends in the film sector.

## SECTION THREE: RECENT TRENDS IN THE FILM SECTOR

### INTRODUCTION

This section outlines the key trends in the film sector internationally, nationally, and provincially. The key focus area, however, is the KZN film sector. The main themes of this section include the transformation aspects of the sector, barriers to entry, supply side of the sector (such as training programmes) and financing mechanism in the sector.

It is important to note that many of the themes discussed in this section were not covered in detail in the 2015 baseline study. The rationale for including these additional themes in the current study is to provide the reader with a comprehensive snapshot of the film sector in KZN in 2020. Therefore, a comparative analysis of the themes in this section relative to the 2015 baseline study cannot be made. However, the comparative analysis can be made in terms of the economic contribution of the film sector outlined in section of this report.

### 3.1 OVERVIEW OF THE FILM SECTOR

#### 3.1.1 THE INTERNATIONAL FILM SECTOR

Average growth in the global film sector between 2014 and 2019 was 0,1%, with revenue growing at an annualised 3,8% in 2019 (IBIS World, 2020). The success of the global film sector hinges on the discretionary spending of movie-goers across the world. The sector suffers most when disposable income and leisure time among movie-goers decline<sup>6</sup>. The North American, European and North Asian markets combined, represented an estimated 76% of film revenue in 2019 (IBIS World, 2020). Despite economic uncertainty in China and Italy, these regions have performed strongly over 2013-2018 and have generated most of the revenue growth worldwide (IBIS World, 2020).

Table 1 provides the number of films and box of earnings of the top ten countries in the world. South Africa is number 33 on this list of 174 countries. In terms of worldwide film production, South Africa accounts for 0.29% of the total movies produced in 2019.

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<sup>6</sup> However, as the internet is increasingly becoming the locus of art consumption, this translates to an increasing demand for bandwidth, with movies being watched on line in lieu of visiting cinemas. PWC [10, p. 19] noted that "in line with international trends, South African theatre attendance has been declining over the past few years". While theatre attendance is declining, the new distribution channels such as mobile entertainment are picking up pace ( Twalo, 2020).

Table 1: Film Production by Country and Box Office Earnings in 2019

Production Countries	No. of movies released	Percentage of total movies	Total worldwide Box Office	Percentage of total Box Office	Average production budget
1. United States	19,175	42.24%	\$580,952,731,248	74.38%	\$36,684,877
2. United Kingdom	3,263	7.19%	\$51,217,013,967	6.56%	\$30,312,115
3. France	2,834	6.24%	\$20,102,797,528	2.57%	\$23,012,667
4. China	1,691	3.72%	\$30,057,934,371	3.85%	\$34,963,077
5. India	1,682	3.70%	\$7,350,028,110	0.94%	\$14,424,796
6. Canada	1,417	3.12%	\$7,847,607,082	1.00%	\$19,734,207
7. Germany	1,253	2.76%	\$10,021,903,246	1.28%	\$31,199,867
8. Japan	1,218	2.68%	\$13,224,670,383	1.69%	\$29,453,636
9. Italy	1,167	2.57%	\$4,181,377,380	0.54%	\$16,391,000
10. Spain	1,032	2.27%	\$3,950,502,319	0.51%	\$24,701,437
33. South Africa	190	0.29%	\$607,280,913	0.08%	\$18,395,526
68. Nigeria	23	0.05%	\$803,572	0.00%	\$3,800,000
<b>TOTAL of 174 countries <sup>7</sup></b>	<b>45,399</b>	<b>100%</b>	<b>\$781,108,275,922</b>	<b>100%</b>	

Source: (Nash Information Services, LLC, 2020)

The United States, as an early innovator in the film sector and through its related development of Hollywood, is a major contributor to the global film sector. The sector has boomed over the past decade and continues to dominate the global market. Nonetheless, there is evidence that developing countries, such as India, are beginning to offer strong competition for Hollywood. For instance, the Indian film sector (known as Bollywood) has developed substantially over the last century, particularly in aspects such as goods and services, capital, human resources and technology. In terms of other Asian countries, China is one of the world's largest film sectors (Creative Feel, 2020).

Global expenditure on film production reached \$177 billion and includes investment in scripted film, television and documentaries in 2019<sup>8</sup>. The sector drives employment in the global film sector value chain, creating 14 million full-time-equivalent (FTE) jobs in 2019 (Olsberg SPI, 2020). Thus, the global flow of the sector's investment is highly positive for economies around the world.

The South African Cultural Observatory (SACO), measured the GDP contribution of South Africa's cultural and creative sector at R63 billion a year which represents 1.7% of the total GDP (Dugmore, 2019). In addition, the cultural and creative sector achieved an average growth rate of 4.8% per year between 2011 and 2016 compared with only 1.6% per year for the whole

<sup>7</sup> Data collected for a total of 174 countries.

<sup>8</sup> This excludes sport, news, or commercials.

economy over this period (Dugmore, 2019). This shows that the average contribution of the cultural and creative sector is more than double that of the growth of the economy at large.

Despite the favourable growth of South Africa's cultural and creative sector, South Africa's economic performance is very low compared to Nigeria and the BRICS (Brazil, Russia, India, China and South Africa) countries (Ncwadi, 2017). Brazil, Russia, India, and China recorded between 1% and 6% of GDP while advanced economies such as the United States have recorded up to 11% of GDP on their cultural and creative sectors (Ncwadi, 2017). The Nigerian film sector (Nollywood) is globally recognised as one of the top film producers in the world in terms of volumes. The film sector contributed 2.3% to Nigeria's GDP in 2016 (Ncwadi, 2017). Globally, the cultural and creative sectors amounted to between 2% and 6% of global GDP (Ncwadi, 2017).

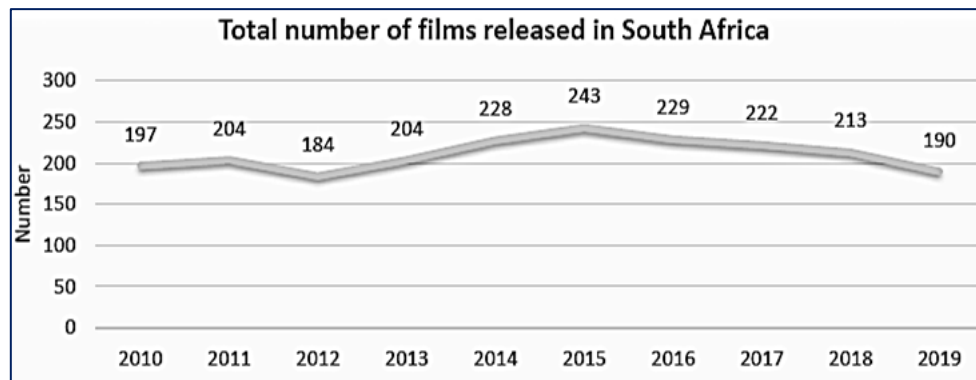
One view as to why South Africa's cultural and creative sector is not performing well relative to international counterparts is that the message about the economic contribution of the cultural and creative industries is not translating into policy to fund the arts in the country (Dugmore, 2019). According to SACO's executive director, Unathi Lutshaba, arts education, needs to be developed and supported in terms of marketing and generating interest to create a new generation of artists and supporters in the country (Dugmore, 2019).

Another view is that the promotion of culture through films can invigorate the economy through cultural and heritage tourism in KZN and South Africa (Mbe, 2011). Evidence from the United Kingdom shows that the way they portrayed the country in films and TV, attracted 20% of the tourists who visited the country in the last decade. The spinoff is that for every £1 spent on films, there is a £1.50 benefit to the economy (Mbe, 2011).

### **3.1.2 THE NATIONAL FILM SECTOR**

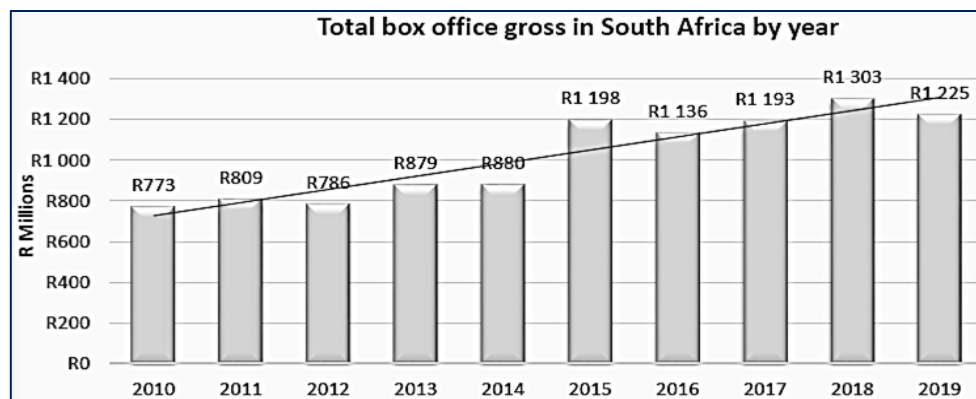
The leading film producers in the world (most notably Hollywood and Bollywood) greatly surpass South Africa in terms of film output. In 2019, Hollywood produced 19 101 films and Bollywood produced 1 678, while South Africa produced 190 films with a total box office gross earnings of R1,2 billion (IS, 2019). It can be observed from Figure 2 and Figure 3 that the film sector in the country has had a -6% growth rate from R1,3 billion to R1,2 billion between 2018 and 2019. COVID-19 is likely to reduce growth in the sector significantly in 2020 due to negative impact of the nationwide lockdown.

Figure 2: Total Films Released in South Africa



Source: (NFVF, 2020)

Figure 3: Total Box Office Revenue 2010–2019



Source: (NFVF, 2020)

Despite the total box office revenue decline, South Africa's domestic box office revenue (the performance of theatrical produced domestic films) has thrived in recent years. Figure 4 and Figure 5 shows that 22 locally-produced films recorded a total of R59,6 million at the box office in 2019. This was a significant increase from R50,4 million in 2018 (18% growth over the period) (NFVF, 2020).

Locally produced films represent 5% of the total market share of box office revenue, showing an increase from 4% in 2018. This increase could be a result of the popularity of the movies released in 2019.

The highest-grossing domestic films in 2019 were:

1. Keeping up with the Kandasamy's: The Wedding (grossing over R19,2 million at the box office),
2. Matwetwe – produced with a budget of less than R2 million made a box office gross of R6,5 million,
3. Losing Lerato – the third highest-grossing local film (made a box office gross of R4,9 million).

Keeping up with the Kandasamy's is a South African Indian comedy set in the popular Durban suburb of Chatsworth and was the first South African Indian film to be screened widely in theatres. The success of Keeping up with the Kandasamy's could be attributed to its relatability to South African audiences and its successful marketing strategy. During the pre-production and production, the Keeping up with the Kandasamy's production team invited people on-set. They marketed the movie well and created hype which attracted audiences (Malange, 2020).

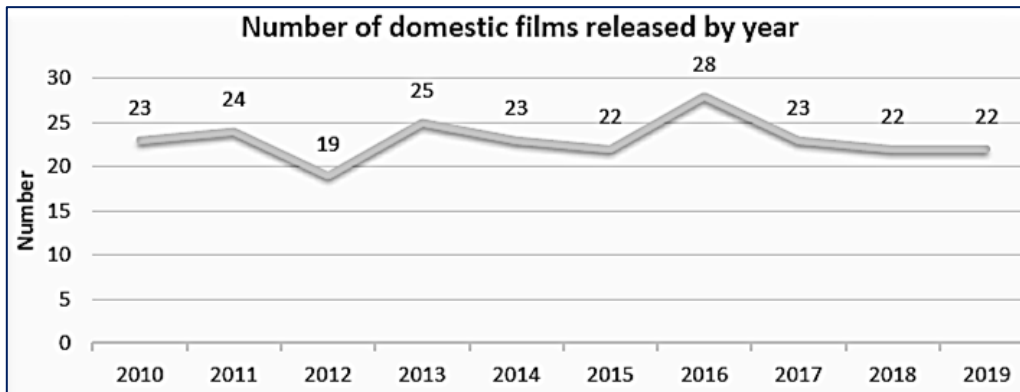
Matwetwe is a hilarious coming-of-age adventure directed by comedian Kagiso Lediga, with Black Coffee as executive producer. It follows best friends and recent high school graduates, on the hustle of their young lives. The movie was set in the iconic township of Atteridgeville. The movie showcased the intricacies of local life which made it relatable to broad local audiences (Williams, 2019).

Losing Lerato is an action thriller about a father who puts himself in danger for his right to see his child. The independent film is an authentic South African story about a young man who takes matters into his own hands by kidnapping his daughter after being separated from her. The story was inspired by a real-life story (Mack, 2020).

From the above overview it is clear that these three highest grossing movies have a common trait. All three movies provide content that South African audiences can relate to. As such, TV and film content about love, happiness and family are what local audiences seem to be attracted to (Malange, 2020). Therefore, understanding the tastes of local audiences and responding to them effectively can contribute to the growth of the local film sector.

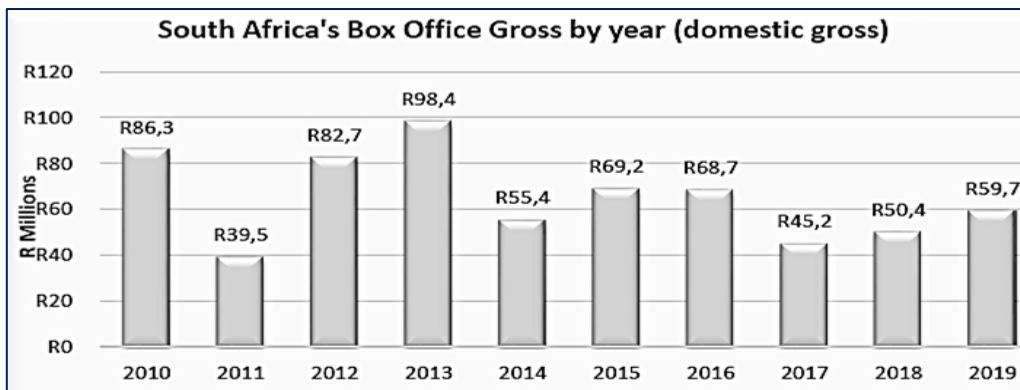


Figure 4: Total Domestic Films Released in SA and Box Office Revenue 2010–2019



Source: (NFVF, 2020)

Figure 5: South Africa's Box Office by Year 2010-2019



Source: (NFVF, 2020)

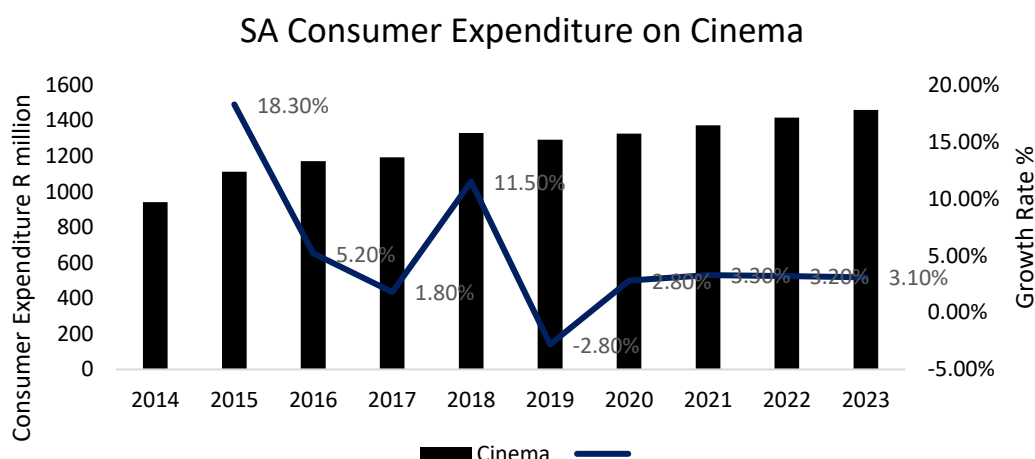
According to an entertainment and media report by PWC (2019), consumer expenditure on cinema, television and video has grown due to increased demand, albeit at a slower rate in South Africa in recent years. Digital spend has been fuelling the overall growth in this sector and South Africa's internet access market is expected to continue to rise rapidly. The consumer demand for entertainment and media experiences will continue to grow, while migrating towards video and mobile since consumers want more flexibility, freedom and convenience, in, when, where and how they interact with their preferred content (PWC, 2019).

Figure 6 shows that South African consumer spending on cinema increased from R941 million in 2014 to R1,3 billion in 2018, with a 1,9% compound CAGR<sup>9</sup>. Spending in this category is expected to reach an estimated R1,4 billion by 2023 (PWC, 2019).<sup>10</sup>.

<sup>9</sup> Compound annual growth rate is a business and investing term for the geometric progression ratio that provides a constant rate of return over a period.

<sup>10</sup> Note that these estimates are based on historical trends and were calculated before the occurrence of COVID-19 and therefore the estimated growth in 2020 and possibly 2021 will be lower than these estimates.

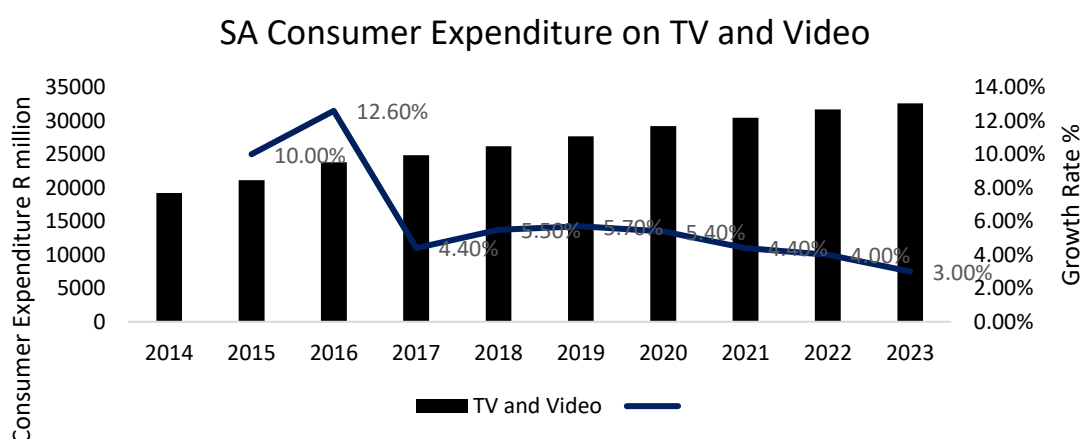
Figure 6: Consumer Expenditure on Cinema 2019–2023



Source: Raw data from the Entertainment and Media Outlook, 2019–2023, An African Perceptive, PWC<sup>11</sup>

Figure 7 shows that South African consumer spending on TV and video increased from R19,2 billion in 2014 to R26,2 billion in 2018, with an estimated 4.5% CAGR due to increased demand. Spending in this category is expected to reach an estimated R32,6 billion by 2023<sup>12</sup>. There is also a trend in South Africa and globally, which shows a rise in overall consumer spending through to 2019 on video-based content and services, against far less spending on primarily text-based content and services (PWC, 2019).

Figure 7: Consumer Expenditure on TV and Video 2019–2023



Source: Raw data from the Entertainment and Media Outlook, 2019–2023, An African Perceptive, PWC<sup>13</sup>

<sup>11</sup> 2019–2023 are estimated based on historical growth rates.

<sup>12</sup> Note that these estimates are based on historical trends and were calculated before the occurrence of COVID-19 and therefore the estimated growth in 2020 and possibly 2021 will be lower than these estimates.

<sup>13</sup> 2019–2023 are estimated based on historical growth rates.

### 3.1.3 THE PROVINCIAL FILM SECTOR

The KZN film sector is relatively small compared to Gauteng and the Western Cape film sectors in terms of the number of productions. Over 55% of all film operations are concentrated in the Gauteng province, followed by the Western Cape with almost 25% of film operations and KZN with less than 10% (NFVF, 2017). Both Gauteng and the Western Cape have improved infrastructure for filming such as the presence of film studios which support the growth of the sector. These provinces are also able to attract highly skilled people due to the higher number of productions. The presence of studios in KZN is likely to improve the growth in the sector and attract more productions. More productions will also attract more talent (and vice versa), which will further boost the sector (NFVF, 2017).

An increasing number of filmmakers have recognised KZN as an advantageous place for filming due to its favourable climate, scenic landscapes and diverse cultures. There has been positive growth within the KZN film sector in recent years as compared to the last five to ten years (Olsberg SPI, 2020). This shows a positive outlook for the province.

The KZN film sector's growth is largely attributable to the support provided by the KZN Film Commission (Majalo, 2019). This is due to the financial and non-financial support provided for local productions and filmmakers in the province. Local productions such as Imbewu and Uzalo have created success in the province (Majalo, 2019). Imbewu alone led to a boost in the KZN economy with 150 jobs created (Majalo, 2019). In addition, Uzalo, a local soap opera, had attracted 10 million viewers by June 2019 (Majalo, 2019).

KZN also produced other noticeable productions. One, Keeping up with the Kandasamy's, broke box office records. Other noticeable productions in KZN include Deep End and Beyond the River. A list of KZNFC funded productions which have contributed to the growth of the sector are included in Appendix 2. The KZN film sector has also experienced success in creating more films over the years, which attracts more producers and consequently a greater number of productions (Seid, 2017).

Some KZN productions have achieved success in cinemas and in the film festival circuit both locally and internationally. In the 2019/20 financial year, the KZNFC funded films that enjoyed success and recognition. These include, Kings of Mulberry Street, Zulu Wedding and Love Lives Here which were released commercially in cinemas (KZNFC, 2020). In terms of successful productions in film festival circuit, these include The Letter Reader, Buddha In Africa, and The Last Victims (KZNFC, 2020). A full list of KZNFC funded productions that gained local and international are included in Appendix 3.

Furthermore, the KZN film festivals are boosting the image of the province and helping develop the film sector. The Department of Labour had announced at the onset of the fortieth Durban Film Festival that government will provide its support to the film sector's reshaping and development (KZNFC, 2019). The KZNFC has supported local film festivals such as the Ugu Film Festival, KwaZulu-Natal African Film Festival, Kwasukasukela Film Festival and Durban International Film Festival to grow local audiences. The commission also hosted the annual Simon "Mabhunu" Sabela Awards to showcase local talent to further stimulate the sector (KZNFC, 2019).

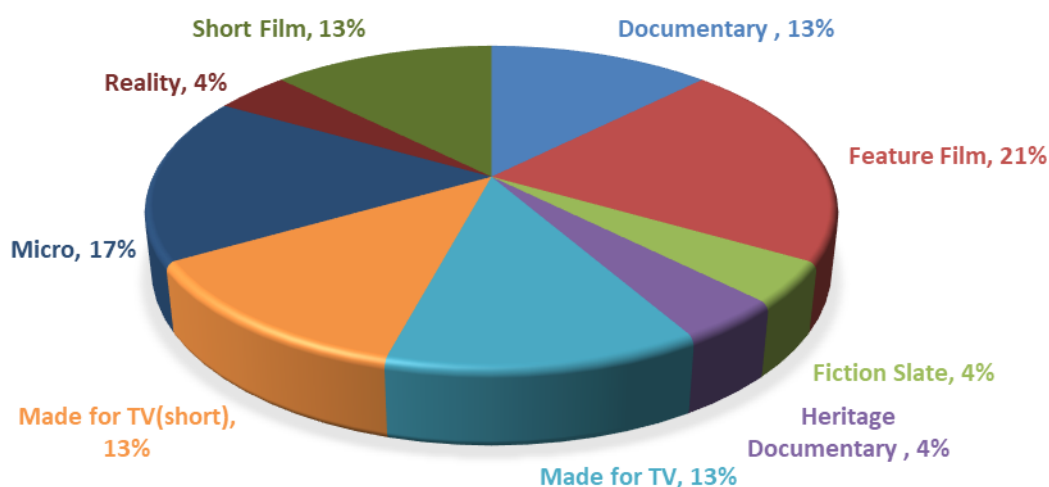
With regard to infrastructure development, the KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs (EDTEA) and the KZNFC had planned to build a film studio in the province with a financial investment of R45 million over three years, to be completed in 2021 (NFVF, 2019). This development was predicted to create 17 000 jobs during construction and an additional 4 300 jobs during its full operation (Majalo, 2019). The project is currently on hold and had reached pre-feasibility stage. The Durban Film City was set to be built on the Natal Command site on Durban's Golden Mile to further stimulate the sector. The development was to comprise of sound stages and production workshops, television studios for live broadcasts, editing suites, a walk of fame, a back-lot set area, midway centre and a museum of South African cinema. It was to serve as a hub for the film sector and was to attract tourists, benefiting the economy of the province. However, the future of this development of this infrastructure project is uncertain at this stage due to investor uncertainty (Naidoo, 2019).

In terms of types of productions in KZN, feature films make up the largest portion of productions at 21%, followed by micro productions (17%), heritage documentaries, fictional slates and reality shows make up the smallest portion of total KZN productions as outlined in Figure 8<sup>14</sup>

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<sup>14</sup> This assessment is based on KZNFC funded projects 2019-2020

Figure 8: Types of Productions in KZN in 2019/2020



Source: Data based on KZNFC funded projects 2019-2020

### 3.2 TRANSFORMATIONAL ASPECTS OF THE FILM SECTOR

Transformation in the film sector is important and all groups of previously disadvantaged people are being promoted, including youth and women (NFVF, 2019). The KZN Provincial Strategy aims to support youth and women studying film-related courses (NFVF, 2019). Through a partnership between the MICT SETA and KZNFC, learnerships were given to students to study film-related courses at Amajuba TVET College (KZNFC, 2019). The KZNFC also ensured that various interventions ranging from funding, training and supplier development were designed and implemented to address the radical economic transformation in the sector (KZNFC, 2020). The KZNFC also ensured that its programmes targeted the previously disadvantaged communities. These programmes included audience development, information sharing and human capital development initiatives (KZNFC, 2020).

KZNFC aims to promote and develop the film sector in KZN. The goal of the Commission is to open up the global film sector market to the KZN region by creating new jobs and new business enterprises, thereby reinforcing economic growth, black enterprise skills development and social stability in KZN (KZNFC, 2019). According to the KZNFC Annual Report (2019), KZNFC received additional funding of R20 million from EDTEA for youth and infrastructure development and R1,3 million pledge from MICT SETA. This increased the KZNFC's budget to R115 million. A total of R35,9 million was spent on service providers on levels 1-3 B-BBEE with an overall BEE spend of 112%. In 2018/19, 26% of procurement spend was allocated to women and 10% to youth-owned companies. Training programmes also include bursaries, SMME incubation programmes, and the KZN Film Industry Transformation Initiative (FITI). FITI is an initiative in terms of which the transformation of the sector is promoted through the increase

of specialised skills in key areas of the value chain through an accelerated three year programme for film graduates.

In addition, the KZNFC is also promoting and growing the animation sector. The KZNFC is implementing the animation strategy which consists of six projects in development phase and two projects in the production phase of animation along with the animation hub which is providing practical hands on experience to animation graduates and students. The KZN Film Sector Strategy also focussing on isiZulu content production and this component has been included and promoted through the production support of various projects including numerous made-for-TV projects of isiZulu content to be distributed on SABC platforms in partnership with SABC (KZNFC, 2019).

### **3.2.1 B-BBEE SECTOR CODES OF CONDUCT**

The film sector falls under the broadcasting sub-sector of the Information and Communications Technology (ICT) sector. The ICT sector codes utilise the generic codes as a base for its charter with an emphasis on three priority elements, as listed below:

- Ownership – The sub-minimum requirement for ownership is 40% of net value (40% of the 8 points) based on the time-based graduation factor (BEE Rating SA, 2020).
- Skills development – A measured entity must achieve a minimum of 40% of the total targets set out in each of paragraphs 2.1.1 and 2.1.2 of the skills development element of code series AICT300 statement. Non-compliance with this subminimum requirement will result in the achieved B-BBEE status level being discounted (BEE Rating SA, 2020).
- Enterprise and supplier development – A measured entity must achieve a minimum of 40% of each of the targets set out in clauses 2.1 (i.e. 10 of 25 points), 2.2 (i.e. 4 of 10 points) and 2.3 (i.e. 6 of 15 points), excluding bonus points of the enterprise and supplier development scorecard code series AICT400 and statement AIC400 (BEE Rating SA, 2020).

Incentives and rebates by institutes such as the DTIC has certain B-BBEE criteria attached to it. These B-BBEE criteria and codes ensure that historically disadvantaged individuals (HDIs) are promoted and included by setting targets in the sector. These targets focus on increasing the number of black-owned companies in the sector, enhancing skills development of these individuals and promoting enterprise and supplier development of black-owned companies.

According to the incentive and rebate criteria, local film projects must comply with B-BBEE employment practices. Compliance with certain quotas for the employment of black South Africans and reporting according to the B-BBEE scorecard (Codes of Good Practice on B-BBEE

2007) are required in order for any project to be eligible for the DTIC rebate scheme (Collins, 2016).

A study was conducted in 2016 that assessed the DTIC Film and Television Production Rebate Programme and its impact on B-BBEE transformation. In order to qualify for the rebate, certain criteria have to be met including success in job creation and skills development within the industry, alongside a particular focus on the percentage of HDIs employed. This study applied a multi-criteria visualisation technique to inform the evaluation of public subsidy effectiveness (Collins, 2016).

The 'PROMETHEE'<sup>15</sup> method was applied and apart from presenting project performance in a visually intuitive manner, the approach helps to clarify patterns of relative success. Furthermore, it shows where policy objectives are competing and efficiently guides future public support in the sector (Collins, 2016).

The study found an emerging tension between total employment and black employment on the one hand, and skilled black employment on the other. This suggests that, although projects are meeting black economic empowerment quotas in order to qualify for the subsidy, there are still only a few projects where black people are employed in positions other than as extras. This occurrence could point to the lower skill levels among previously disadvantaged individuals. In addition, in terms of achieving the transformation objective, the sample of subsidised films did not perform well. The reason for this, according to the study, is that subsidies can create multiple and sometimes competing incentives for governments institutes. For example, the DTIC<sup>16</sup> focuses on the growth and employment creation potential of the sector, while the NFVF<sup>17</sup> focuses on non-market outcomes, such as the creation of cultural capital and national identity in South Africa (Collins, 2016). Therefore, the motives behind the subsidies provided may not properly account for strength of the production and therefore cannot guarantee its success. The study also found that the percentage of black people employed in skilled categories was generally low for all production types. This again could point to a skills shortage among this population group. In conclusion, South African productions fared best in terms of overall black employment, but this was skewed towards lower-level employment categories, such as extras and cast (Collins, 2016).

Thus, the increase in the number of HDI employed in the sector does not necessarily translate into transformation of the sector.

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<sup>15</sup> Preference Ranking Organisation Method for the Enrichment of Evaluations

<sup>16</sup> The DTIC provide the largest subsidies to the industry

<sup>17</sup> The NFVF has less resources



### **3.2.2 SUPPORT OF BLACK FILMMAKERS**

Government support has contributed to the transformation of emerging black filmmakers in South Africa (Network Reporter, 2019). The sector's transformational efforts can be largely attributed to the South African Emerging Black Filmmakers incentive programme which became operational in September 2018. In 2018/2019, 25 black emerging filmmakers were supported with an investment of R90 million (Network Reporter, 2019). The DTIC is moving towards economic inclusion by supporting 28% female-owned productions and 62% black-owned productions across all three DTIC incentive programmes. In addition, the creation of the Durban FilmMart, aims to help African filmmakers break into the international market as previous studies outlined their difficulties in this regard (Network Reporter, 2019). The Durban FilmMart is intended as a springboard for filmmakers as it provides a place where the international market can find African talent (Network Reporter, 2019).

### **3.2.3 SUSTAINABILITY IN THE FILM SECTOR**

National power outages due to load-shedding by Eskom have negatively impacted not only the economy but also the growth of the film sector as the power outage disrupts both business transactions and individuals. Some cinema complexes had to shut down during outages, which resulted in lost revenues (Toyana, 2020).

In terms of the film sector's carbon footprint, a study commissioned by KZNFC in 2018 showed that the greenhouse gas emissions created during a production can vary from six tons carbon dioxide emissions per week (CO<sub>2</sub>-e/week) for a local TV series to around 10 tons CO<sub>2</sub>-e/week for a local feature film and over 150 tons CO<sub>2</sub>-e/week for an international production (KZNFC, 2019). The largest contributors to carbon emissions were flights, transport and energy usage. In 2017, the KZNFC showed their commitment to sustainable growth of the sector by commissioning a study on the environmental impact and resource use of the film sector. One of the key recommendations made and implemented was the development of guidelines focused on economic, social and environmental impacts, known as a triple bottom line approach (KZNFC, 2019). These guidelines are intended to assist all stakeholders in the sector in KZN to understand the environmental impact of the resources used in film and media production.

Under these guidelines, the KZNFC aims to improve sustainability in the KZN film sector by outlining sustainability practices under the following themes:

- Energy efficiency.
- Waste reduction.
- Water conservation.
- Eco procurement.

- Emissions reduction.
- Biodiversity conservation.
- Social and economic impact.
- Communication and training (KZNFC, 2019).

The role of the Sustainability Production Assistant or Green Monitor in assisting productions in going green is also outlined in the KZNFC sustainability guidelines handbook. Sustainability Production Assistant or Green Monitor is new in South Africa and can add great value to assist productions in going green. The guidelines outline that it is essential that there is a high-level buy-in into greening productions by client, director or producer. It is also important to have a person on the production who is dedicated to assisting with implementation in a practical manner (KZNFC, 2019). It is also recommended that developing sustainability plans from the pre-production stage of filming through the appointment of a dedicated Sustainability Production Assistant or Green Monitor is appropriate (KZNFC, 2019).

### **3.2.4 LEGISLATIVE ENVIRONMENT**

The film sector has also shown success through changes in legislation and by-laws to achieve its goals. The objectives of the National Development Plan (NDP) 2030 for the film sector include its contribution to job opportunities, economic growth, transformation and equitable distribution of wealth in the country. Chapter 3 of the NDP identifies that arts and culture, as well as other parts of the creative economy, have the potential to generate employment and export earnings (NFVF, 2019). The sector's revenue contributes to available income and economic growth. The film sector has the potential to create big productions that would further the local economy, as with the international film sector, such as in the United States (NFVF, 2017). Furthermore, a large percentage of employment in the film sector falls into the high- and medium-skilled categories (NFVF, 2017). The NDP further states that the arts and related creative economy sector is an asset that needs investment to provide opportunities for more people, often outside of the formal economy (NFVF, 2017). Developing the local film sector can translate into the development of the local skills base, which in turn has the potential to improve living standards in the country (NFVF, 2017).

The South African government implemented change in the film sector in recent years by way of legislation. The eThekweni Municipality Film By-Law of 2018 and the KwaZulu-Natal Film Commission Act No. 3 of 2010 is one such legislation that has relevance to this study.

#### eThekweni Municipality Film By-Law, 2018

The preamble of the by-law states that the local level of government recognises the role that filming plays in the economy of eThekweni and it provides for the following areas: getting permits for filming on municipal property such as public parks and beaches, as well as getting pre-approval from the Durban film sector before using ammunition or weapons, animals, and obtaining special permissions from the Department of Labour for employing minors in films. This promotes filming and growth in Durban since systems are in place to create productions locally.

#### KwaZulu-Natal Film Commission Act No. 3 of 2010

The mission of the KZNFC is to be a catalyst for transformation, job creation and sustainability through funding, human capital development and the promotion of KZN. According to the KwaZulu-Natal Film Commission Act No. 3 of 2010, the objectives of the Commission are to:

- a. Promote and market the province as a global destination for film production.
- b. Develop, promote and market, locally and internationally, the film sector in the province.
- c. Facilitate investment in the film sector in the province.
- d. Provide and encourage the provision of opportunities for persons, especially from disadvantaged communities, to enter and participate in the film sector in the province.
- e. Address historical imbalances in the infrastructure and distribution of skills and resources in the film sector in the province and,
- f. Contribute to an enabling environment for job creation in the film sector in the province.

The legislation and mission of the KZNFC seem to have led to remarkable changes over the past ten years. Since the introduction of the Film Commission Act of 2010, enacted to accelerate change in the KZN film sector, and the establishment of the Commission in late 2013, the region has become a hub utilised for filming. The KZNFC aims to address the imbalances of the past, develop skills locally and create an enabling environment. These objectives aim to help address some of the main weaknesses in the sector and enable growth. Its SMME development programmes support existing firms to grow and become sustainable through better run businesses. However, despite the KZNFC's mandate to develop internships and bursaries, some students and graduates that responded to the student and graduate surveys of this study, have outlined that internships and mentorship programmes are areas of improvement in the local film sector. Sector 4 of this report outlines this in more detail.

Despite areas of potential improvement, the KwaZulu-Natal Film Commission Act No. 3 of 2010 and eThekweni Municipality Film By-Law, 2018 are favourable for the local film sector. This legislation puts structures in place and creates a favourable environment for filming in KZN.

### **3.3 INNOVATION IN THE FILM SECTOR**

The local film sector has experienced rapidly changing technology and new trends in content consumption over the years. In response to these changes, the KZNFC began to align its programmes with the technological developments in the sector. These include training programmes to support the animation sector and to assist filmmakers to understand media platforms such as Video on Demand (VOD). These initiatives enable local filmmakers to access multiple platforms to distribute and sell their content (KZNFC, 2019).

Government has also made key provisions for the film sector to become technologically on par with the rest of the world (Department of Sport, Arts and Culture, 2020). The aim is to ensure film producers are equipped with the technology necessary to remain relevant and competitive in this changing, technology-driven sector (Department of Sport, Arts and Culture, 2020). Another aim is to add audio-descriptive captioning to films and to ensure that South African viewers can easily obtain and view local content (Ellaya, 2020).

#### **3.3.1 AUDIENCE TRENDS**

A study conducted by the KZNFC in 2017 identified the trends of KZN film content consumers. The study administered 1,200 questionnaires between January and March 2017. From this study, the following consumer trends were identified as outlined below:

- Audience consumption trends in KZN are driven by cost and access. This trend was also found that over 15% of the survey population are not willing to pay to watch local films, 53% said they would pay up to R60, and 32% would pay more than R60.
- TV is the dominant platform as 98% of the population has access to a TV set. Almost 98% of respondents have a television inside of their household, and 73% of them watch TV daily. Sixty three percent (63%) of respondents have satellite TV and almost all of them watch satellite TV daily.
- Seventy percent (70%) of the population have never been to the cinema.
- Much slower growth in VOD in KZN than indicated by global trends.
- Although DVD sales have decreased globally, DVDs are still an important distribution platform in KZN with over 50% of the KZN population watching DVDs more than once a month. This could be attributed the fact that pirated DVD's are relatively cheaper than other entertainment platforms.

- Over half of all survey respondents bought their last DVD from street vendors or markets, implying a large 'pirate' DVD market.

The study also asked KZN respondents what are the film attributes that they consider appealing and outlined the following:

- Original/unique 26%.
- Informative and educational 26%.
- Relatable 25%.
- Makes me appreciate my country/town 24%.
- In my own language 22%.
- Good actors 15%.

Some conclusions of the study were that the approach to audience development should be assessed from both supply and demand perspectives. In addition, support is needed for local filmed-content producers to develop better scripts, marketing strategies and business plans, and to better distribute their content through existing (e.g. DVD) and emerging (e.g. VOD) platforms. Lastly, support must be garnered for local content via development initiatives such as school film programmes and community screenings (KZNFC, 2017).

### **3.4 BARRIERS TO ENTRY IN THE FILM SECTOR**

The barriers to entry in the sector are high, revolving largely around equipment, funding, infrastructure, and skills (NFVF, 2017). Also, the film and television audiences for locally produced content are either small, niche or non-existent which is evident in locally produced films only having a 5% market share compared to international releases in 2018 (Creative Feel, 2020). These audiences also have low purchasing power and, as a result, cannot choose their content (KZNFC, 2017). Despite financial and non-financial support<sup>18</sup> provided by the KZNFC, DTIC and other institutes, the sector still needs additional support (Creative Feel, 2020). The support requirements by KZN businesses are outlined in Table 7 in section 4 of this report. Some of the specific barriers to entry in the film sector that still exist in the sector despite support include the following:

- The socioeconomic and relative poverty of most South Africans which hinders development of new start-ups in the sector (Creative Feel, 2020).
- Access to screens – due to high levels of poverty and unemployment in the country, many people do not have access to TV screens or cinemas therefore this dampens demand for entertainment locally (Creative Feel, 2020).

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<sup>18</sup> Types of Financial and non-financial support from these institutes are outlined in the following sub-sections Institutional Arrangement of the Film Sector and Incentive Support om the Film Sector

- Language obstacles exist in the country therefore content needs to be translated into various languages to reach more people (Creative Feel, 2020).
- High cost of equipment such as cameras and other technology hinders new entrants in the sector as many people may not have the means to hire or buy equipment for productions (Creative Feel, 2020).
- Lack of training opportunities in the sector prevents people from developing their own productions (Creative Feel, 2020).
- High education requirements, the lack of learning/experience-building opportunities such as internships and mentorships create barriers in the sector. Skilled personnel in the sector require qualifications especially in the case of technical expertise and this may prevent some people from entering the sector (Creative Feel, 2020).
- Poor work conditions in the sector such very long hours and low pay may discourage people from entering the sector (Creative Feel, 2020).

One of the central challenges faced in the province's film sector is the lack of infrastructure (such as a studio), which has led to the establishment of a Film Cluster. The Film Cluster is a facility that has been of great assistance to local filmmakers which provide editing facilities, recording studios, cineams and discounted office spaces. Programmes include training, audience development and information sharing (KZNFC, 2019).

According to the KZNFC Annual Report 2019, the factors identified as barriers to entry in the KZN film sector are:

- Lack of skilled crew and infrastructure.
- Lack of large local market/consumer base.
- Poor distribution of local films.
- Limited access to local films by most of the population.
- Small talent pool – especially scriptwriters and artists.

### **3.5 INSTITUTIONAL ARRANGEMENT OF THE FILM SECTOR**

Table 2 outlines the key institutes in the local film sector. A description is provided for each institute which shows its role in the film sector. The table also outlines the general types of funding that these institutes supply.

Table 2: Key Institutions in the Film Sector

Institution	Description
<b>KwaZulu-Natal Film Commission (KZNFC)</b>	The KwaZulu-Natal Film Commission is responsible for marketing KwaZulu-Natal internationally and locally. Its objective is to position KwaZulu-Natal as the local destination of choice. It also aims to create enabling environments for film makers.
<b>Moses Kotane Institute (MKI)</b>	The Moses Kotane Institute is a non-profit company that was established in 2007 as an institute of technology, philosophy and political science. Its focus is on research and development in the province.
<b>The Durban Film Office (DFO)</b>	Established in October 2003 by eThekweni Municipality, the DFO is responsible for the promotion and development of the film and television sector in Durban. The office is the official advocate for the feature films, television, video, commercial and stills photography production sector in Durban and the region (Department of Arts and Culture, 2006).
<b>ZuluCoast Film Office</b>	The aim of the film office is to be an information-hub in the region by keeping stakeholders aware of the latest sector news and developments.
<b>The Department of Trade, Industry and Competition (DTIC)</b>	The DTIC offers rebates to encourage local content generation and production as well as to attract international productions and co-productions. The three main incentives offered by the DTIC include: <ul style="list-style-type: none"> <li>• Foreign Film and Television Production and Post-Production Incentive (Foreign Film)</li> <li>• SA Film and TV Production and Co-production (SA Film)</li> <li>• The South African Emerging Black Filmmakers Incentive (SA Emerging Black Film).</li> </ul>
<b>The National Film and Video Foundation (NFVF)</b>	The National Film and Video Foundation (NFVF) supports locally-owned production companies, helps the sector to access funds, promotes the development of South African film and television audiences and develops talent and skills in the country. The NFVF places emphasis on previously disadvantaged groups and helps filmmakers represent and market their work internationally. It focuses on four main areas of funding, namely: <ul style="list-style-type: none"> <li>• Development funding</li> <li>• Production funding</li> <li>• Education and training</li> <li>• Marketing and distribution.</li> </ul>
<b>The Industrial Development Corporation (IDC)</b>	The IDC aims to develop a sustainable film sector value chain by supporting the development of digital cinemas in townships and rural areas. It invests in commercially-viable projects and provides funding in the form of equity investment, commercial loans and venture capital loans but does not fund more than 49% of a project.
<b>Gauteng Film Commission</b>	The Gauteng Film Commission markets Gauteng internationally and locally as the destination of choice and aims to create enabling environments for film makers.
<b>South African Revenue Service (SARS)</b>	The South African Revenue Service permits a film owner three special deductions, namely those relating to production and post-production costs, marketing expenditure incurred on a South African Export Film (SAEF marketing deduction), and print costs.

Source: Adapted from South African Cultural Observatory, 2018.

The above institutions are important in the South African film sector and each contribute in supporting the sector. The types of support are outlined in more detail in the following section.

### 3.6 INCENTIVE SUPPORT IN THE FILM SECTOR

The government, through the KZNFC, NFVF, IDC, SARS and DTIC, is the main investor in the local film sector and has introduced incentives to support the growth and development of the sector. The support given by the provincial film commissions as well as the rebate programme from the DTIC have been important in the sector.

**Provincial Initiatives:** The KZNFC offers a variety of services, including funding, skills development and training. The KZNFC, through its funding mechanisms, is able to mitigate risks for foreign and local filmmakers (Mfeka, 2018). The KZNFC can provide funding of up to R1 500 000 per feature film project (Mfeka, 2018). According to the KZNFC annual report 2019, the KZNFC has funded a total of 216 projects between the year 2015 and 2019. Eighteen filmmakers were supported to attend national and international markets and festivals to showcase their products on various platforms. The KZNFC provides funding based on the categories that are depicted in Table 3.

Table 3: Categories of Funding - KZNFC

Categories of funding applications	Maximum funding
Script Development	R200 000
Production	R1 500 000
Audience Development	R300 000
Marketing and Distribution	R150 000
Markets and Festivals	R50 000
Heritage Projects	Amount not specified

Source: KZNFC, 2020

The list below shows the KZNFC funded productions in 2019/20 that have been distributed or showcased.

#### KZNFC FUNDED PROJECT PLATFORM SCREENED

1. Kings Of Mulberry Street Commercial Cinema Release - South Africa.
2. Our Oceans Ireland Wildlife Film Festival – Ireland.
3. The Last Victims Pan African Film Festival – USA.
4. Love Lives Here Commercial Cinema Release - South Africa.
5. In The Light Of Fire Shnit Worldwide – South Africa.
6. The Letter Reader Shnit Worldwide – South Africa, Pan African Film Festival – USA, Rapid Lion.
7. International Film Festival – South Africa.
8. Zulu Wedding Pan African Film Festival – USA.
9. Ibala African Women Arts and Film Festival (AWAFFEST) -Tanzania; We are Africa.
10. Film Festival – South Africa.



11. Buddha In Africa Hot Docs – Canada, Encounters – South Africa, Durban International Film.
12. Festival 2019 , Hilton Arts Festival – South Africa, Knysna Film Festival.
13. South Africa, IDFA – Amsterdam.

A full table of KZNFC funded projects in 2019/2020 financial year is found in Appendix 2.

In addition, the Durban Film Office has been driving a micro-budget programme for the past four years, which offers a maximum of R150 000 for a feature-length film production. The KZNFC also creates partnerships with key role-players in the sector to help position KZN as an attractive film destination (KZNFC, 2019).

**The Large Budget Film and Television Production Rebate Scheme:** The DTIC led the development of the sector programmes that would guide the government in developing priority sectors in the economy, that include the film sector. The Rebate Scheme was introduced in 2004. The incentive is calculated at 25% of Qualifying South African Production Expenditure (QSAPE), with a cap of R50 million and an additional incentive of 5% of QSAPE if the services of a black-owned service company is used. The incentive is calculated at 20% of QSAPE with an additional 2,5% if the budget for post-production is at least R10 million (NFVF, 2017). Qualifying projects, among other requirements, must achieve a QSAPE of at least R15 million and for companies with level 1 B-BBEE status R12 million (NFVF, 2017). A further requirement is that at least twenty-one calendar days and 50% of principal photography must be filmed in South Africa. However, this requirement may be waived for productions with a minimum QSAPE of R100 million (NFVF, 2017). For post-production, the QSAPE must be at least R1,5 million and must be carried out in South Africa for at least fourteen days (NFVF, 2017). In addition, an applicant must have secured at least 80% of the total budget. Since commencement, 19 productions have been completed and have received a total rebate of R123 million (NFVF, 2017). The DTIC has approved fifteen South African productions and paid out R45 million to six productions (NFVF, 2017). The DTIC has also approved twenty foreign productions and paid out R75 million to 12 productions (NFVF, 2017).

**The Feature Film Fund:** The NFVF has developed a growth and development strategy for the national film sector. The NFVF activities include providing funding for the development, production, marketing and distribution costs associated with a film. The NFVF also provides funding to film students and supports training programmes. The total funding approved for development projects decreased by 2% from R11 million in 2017/18 to R10 million in 2018/19 (NFVF, 2019).

The NFVF has signed the following agreements (NFVF, 2019):

- Agreement with the IDC to initiate the Emerging Black Filmmakers Transformation Fund which entails the development and financing of feature films created by black South African filmmakers.
- Agreement with the Festival Pan-African des Cinema et la Television de Ouagadougou (FESPACO) to work on the general promotion of African cinema.
- Agreement with Imagine Institute of Ouagadougou in Burkina Faso to facilitate the training of young South African filmmakers across different disciplines, including animation and research.
- The Canada Media Fund has launched an incentive for the co-development of South African and Canadian television productions projects.

**The Industrial Development Corporation Funding Initiative:** The IDC's Media and Motion Picture Strategic Business Unit was established in 2001. The unit's focus is promoting investment and development of the media sector. The IDC provides funding in the form of equity investment, commercial loans and venture loans. It invests in commercially viable projects and its requirements include securing a significant theatrical release and/or a television broadcast with a distributor or broadcaster to be approved by the IDC. The IDC may participate by up to 49% in the financing of a project (NFVF, 2019).

### 3.7 THE IMPACT OF COVID-19 ON THE FILM SECTOR

The global film sector has suffered a revenue loss of \$7 billion as of the middle of March 2020 due to COVID-19 (Olsberg SPI, 2020). The emergence of COVID-19 and the subsequent limitation of movement led to most theatres closing, movie premieres and screenings being postponed, and box offices shutting down (Statistica, 2020). Movies which were underway had to be cancelled due to government-imposed lockdown restrictions (Moon, 2020). Globally, the shutdown has led to a loss of 10 million global film sector value chain FTE jobs and \$145 billion in economic impact in the first six months of 2020 (Olsberg SPI, 2020). However, the impact is likely to be temporary as production resumed as lockdown level restrictions were gradually eased from level 5 (Olsberg SPI, 2020).

One of the most notable impacts of the sector was the fast depletion of the reserve of episodes (for soapies, dramas, etc.) in South Africa (Ferreira, 2020). During the nationwide lockdown in South Africa, filming throughout the country came to a standstill. The easing of lockdown restrictions led producers and studios across the country to resume filming and are said to continue filming episodes for Scandal, Skeem Saam, and Muvhango, amongst many others. The government regulations advised that minimal risk shooting of films is required and that risk analysis must be undertaken before re-opening and shooting resumes (Ferreira, 2020).

While the go-ahead was given to allow filming to continue, it did not result in a smooth transition since re-opening came with stringent rules and measures that had to be put in place before the re-opening of the sector.

Cleaning costs of studios have increased, and sanitisers were to be set up around the studios. Persons are prohibited from walking around the studios. Make-up artists must wear mandatory plastic face masks, while make-up, equipment, props and jewellery are cleaned before and after each use. Certain production companies only allow one-third of their staff to come to the studio/sets. Virtual meetings and work-from-home strategies are also active in the sector and some members work on a rotation basis. Temperature checking is a requirement for all studios. Audience members who are usually allowed to join the film set are not allowed in the studio during filming (Ferreira, 2020).

Actors/actresses may be at higher risk because, while the crew members will utilise face masks, actors/actresses will not appear on screen wearing face masks. In addition, extras are only used when it is vital to do so. Thus, capacity and budget restrictions have caused a great impact on aspiring actors, extras and freelancers deprived of an income or left without a job. The job losses may range in the thousands (Ferreira, 2020). Those who are said to be most harshly impacted by COVID-19 are independent contractors, including broadcasters and freelancers (Ferreira, 2020). The Durban International Film Festival (DIFF) occurred via a virtual platform from 10 to 20 September 2020 due to the impact of COVID-19. The festival screened fifty selected films.

In terms of productions, COVID-19 played a crucial part in the decline of productions filmed in KZN. The Durban Film Office confirmed that more than double the number of productions were filmed and permits were issued in the first six months of 2019, than in the first six months of 2020 in eThekweni municipality as indicated in Table 4.

Table 4: Production Permits and Productions in eThekweni Municipality 2019-2020

January 2019 – June 2019		January 2020 – June 2020	
Production Permit	160	Production Permit	63
Productions	125	Productions	58
Total	<b>285</b>	Total	<b>121</b>

Source: Durban Film Office, 2020

### 3.7.1 COVID-19 PROTOCOLS AND THE RELIEF FUND

The KZNFC has developed protocols to assist the local film sector to deal with the COVID-19 pandemic. The aim of the protocols is to minimise the risk of spreading the virus in the film and television production environment and understand the virus and its mode of transmission.

The protocols address the following areas (KZNFC, 2020):

- Limiting the spread of infection in a production.
- The health and safety of cast and crew.
- Social distancing.
- Training.
- Production concerns and the appointment of a designated COVID-19 Compliance Officer.

In the South African supplementary budget speech on 24 June 2020, it was advised that R100 billion would be set aside for job losses across the whole economy which may also assist extras and freelancers in the film sector who have lost jobs/opportunities as a result of the pandemic (Dlamini, 2020). A COVID-19 Film and Television Relief Fund was created by Netflix in collaboration with the South African Screen Federation (SASFED) and the Independent Producers Organisation (IPO). The aim of the fund is to provide short-term relief to below-the-line workers in the sector whose livelihoods have been severely impacted by the COVID-19 pandemic. The Fund further aims to provide emergency relief to crew members who are most affected by the pandemic (Tshikululu, 2020).

Government has also provided Unemployment Insurance Fund (UIF) COVID-19 Temporary Employer Relief Scheme ("TERS") benefit to help South Africans deal with the impact of COVID-19. The benefit was necessitated by the global breakout of the Coronavirus, resulting in the shutting down of economies due to the introduction of stringent nationwide lockdown measures. On 16 April 2020 the UIF paid the first batch of Covid-19 TERS benefits to employers on behalf of workers. The UIF experienced a remarkable spike in the number of applications as a result of loss of income and employment due to trading restrictions.

### **3.8 CONCLUSION**

South Africa is 33rd on the list in terms of worldwide film production, with 190 box office productions valued at R1,2 billion in 2019 (IS, 2019). The sector is nonetheless well-developed and well regarded both locally and internationally. South Africa is renowned for producing internationally recognised features, as a popular location for international production, and having highly skilled talent across the production cycle.

Over the last decade, there have been positive and negative changes in the KZN film sector. The province is the third largest in the country in terms of its film sector, behind Gauteng and the Western Cape. Durban has become sought after for filming and recognition and accolades have been achieved abroad for successful locally-produced movies. The Durban

Film festival played a key role in promoting transformation and success in the sector. Government support and legislation were enacted with the aims, objectives, mandates, mission, and vision targeted at transforming the sector. The creation of the Durban FilmMart, which is held at the Durban Film Festival, also aims to help African filmmakers to enter into and be recognised by the international market.

The local film sector has experienced rapidly changing technology and new trends in content consumption over the years. To respond to these changes, the KZNFC began to align its programmes to the technological developments in the sector.

The barriers to entry in the KZN film sector include a lack of skilled crew and infrastructure, lack of a large local market/consumer base, poor distribution of local films, limited access to local films by most of the population and a small talent pool, especially scriptwriters and artists.

In terms of funding, the KZNFC can provide a variety of funding packages with maximum funding of up to R1 500 000 per production of feature films provided that there is economic merit. The Industrial Development Corporation can support with financial funding up to 49% of a film project. The DTIC also provides incentives when filmmakers shoot on location in the country as 20% of the Qualifying South African Production Expenditure. In addition, the approved funding for development projects by the NFVF amounted to R10 million in 2018/2019.

COVID-19 has had a devastating impact on the film sectors around the world. It has caused massive job loss and loss of revenue. It has also changed the way the film sector operates and has encouraged people to look for new ways of doing business.

## **SECTION FOUR: PERCEPTIONS OF KZN STUDENTS, GRADUATES AND BUSINESSES<sup>19</sup>**

### **4.1 INTRODUCTION**

The perceptions of key sector role players about the state of the film sector in KZN is outlined in this section. This study aimed to identify the perceptions of film sector students, graduates and businesses to understand the issues affecting the film sector in the province.

Personnel from the University of KwaZulu-Natal (UKZN), Durban University of Technology (DUT), African Film and Drama Academy (AFDA), Creative Arts College, Movietech Film and Television College, and the Centre for Fine Art Animation and Design (CFAD) were contacted in June 2020 to assist the study team with the distribution of electronic questionnaire links to their students and graduates. Four hundred questionnaire links were sent out. The KZN TV and Film Businesses database from the KZNFC was used to send out the electronic questionnaire to 774 businesses. Response rates for the student and graduate survey was approximately 46% while the response rate for the business survey was 16%.

### **4.2 PERCEPTIONS OF KZN STUDENTS AND GRADUATES**

#### **Profiling the Survey Respondents**

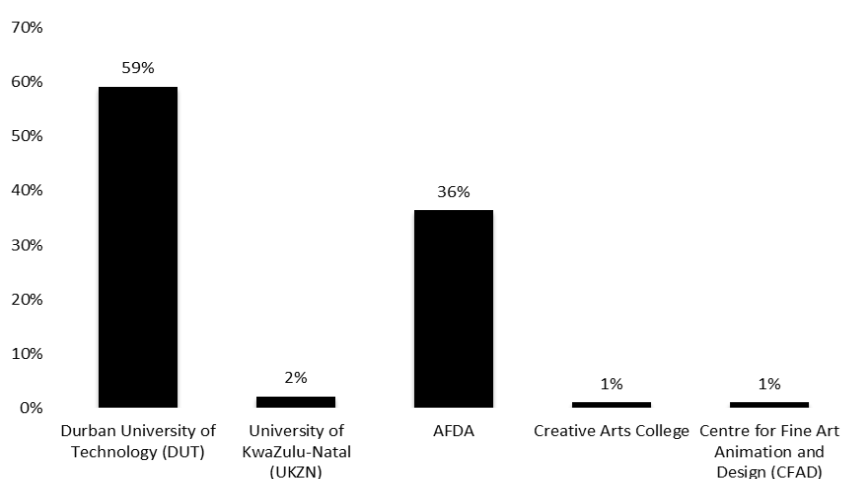
##### **4.2.1 EDUCATIONAL INSTITUTE**

Figure 9 provides an outline of the responses from each tertiary institute. From the students and graduates who had responded to the survey, 59% were from DUT, followed by 36% who were from AFDA. During communication with UKZN personnel, the study team was advised that UKZN students would not provide a high number of responses to the survey due to the challenges of studying from home during the nationwide lockdown and the lack of adequate internet connectivity.

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<sup>19</sup> These perceptions are the research findings from the two online surveys that were conducted.

Figure 9: Questionnaire Responses per Educational Institute

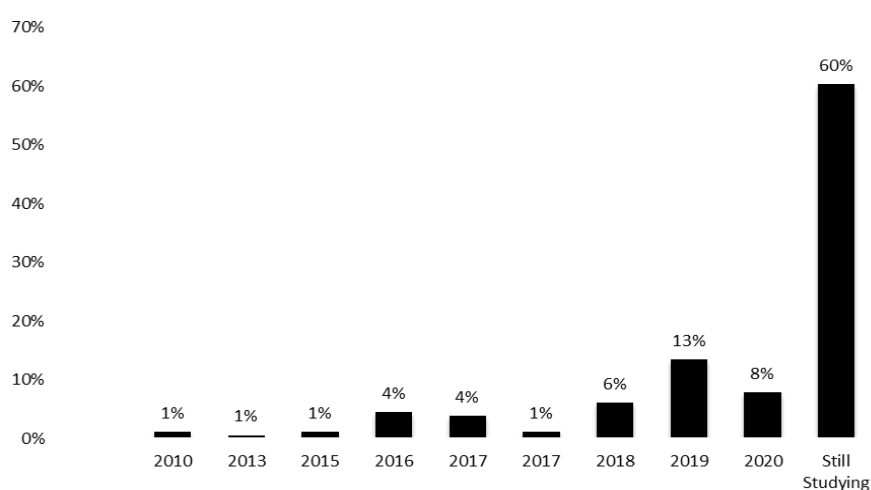


Data Information	
Number of Responses (n)	189

#### 4.2.2 EDUCATIONAL STATUS

Figure 10 shows the educational status of the respondents. The majority of the respondents are still studying (60%), while the remaining 40% have already graduated. This indicates that most of the survey respondents are yet to enter the labour market.

Figure 10: Educational Status of Respondents

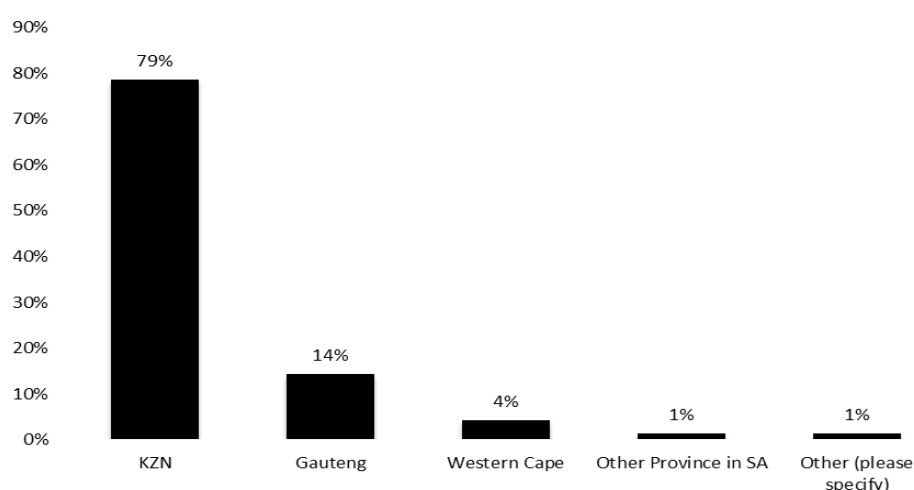


Data Information	
Number of Responses (n)	189

#### 4.2.3 CURRENT LOCATION

Figure 11 shows that seventy-nine percent (79%) of survey respondents who studied at the KZN institutions indicated that they currently reside in KwaZulu-Natal, followed by almost 14% who reside in Gauteng and approximately 4% reside in the Western Cape.

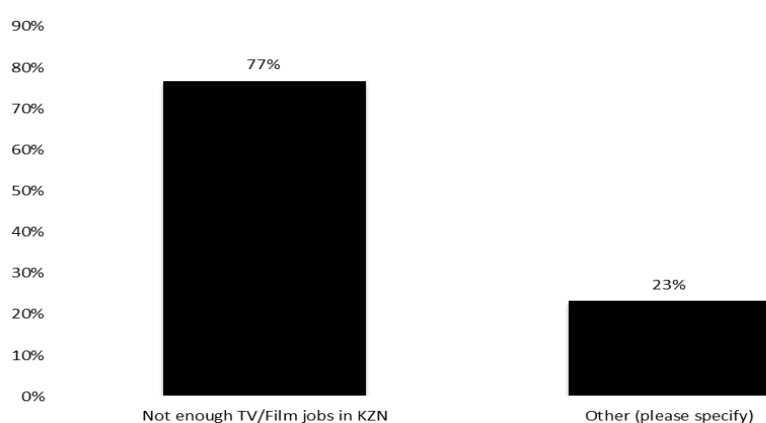
Figure 11: Location of Respondents



Data Information	
Number of Responses (n)	189

Despite the support provided by the KZNFC, DTIC and other supporting institutes to the film sector in the province, and the relative successes that has been achieved. Figure 12 shows that almost 80% of respondents listed a lack of job opportunities in the local film sector as the reason for leaving KZN. Some other reasons given which also related to the lack of local opportunities in the province were 'better job opportunities in Gauteng' or that they received job offers or internships in Gauteng.

Figure 12: Reason for Relocating



Data Information	
Number of Responses (n)	43

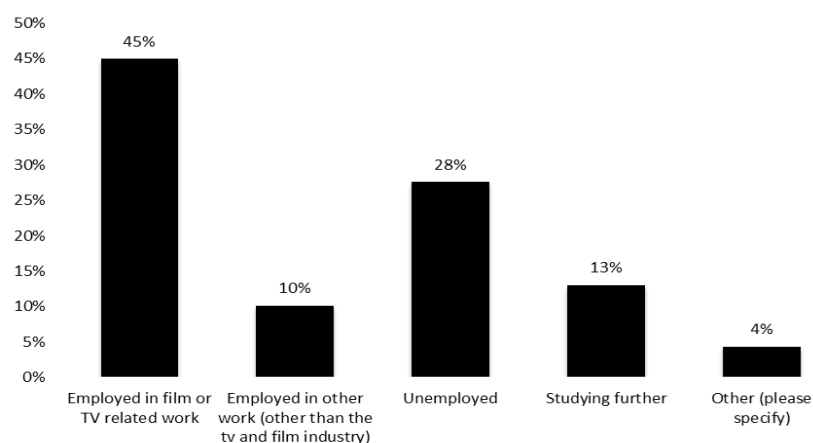
#### 4.2.4 EMPLOYMENT OF RESPONDENTS

According to Figure 13, from the respondents who have graduated, 45% have been employed in the film sector in the last two years while approximately 28% of respondents have not been employed in the film sector in the last two years. Around 10% of these respondents have



branched out into other sectors while around 13% are studying further. The response under the 'other' category includes being employed as interns in the last two years.

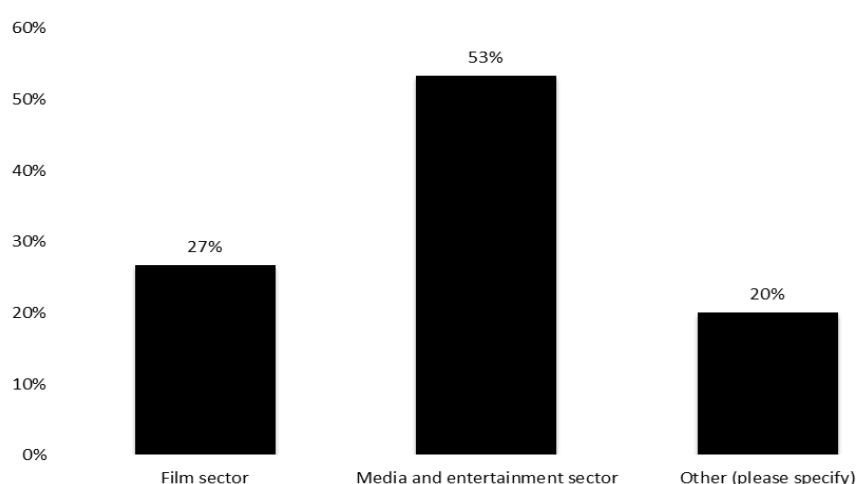
Figure 13: Employment Status of Respondents



Data Information	
Number of Responses (n)	69

Figure 14 shows that of the respondents who are employed, almost 55% work in the media and entertainment sector while approximately 27% are employed in the film sector. The 'other' categories include mainly education with some employed in sports production, TV news and internships.

Figure 14: Employment Sectors of Respondents



Data Information	
Number of Responses (n)	30

Figure 15 shows that of all respondents who are employed, around 38% took between six months or less to find employment while 31% took less than a year (and more than six months) to find employment. Only 17% of respondents took one month or less to secure employment.

Figure 15: Length of Time to Find Employment

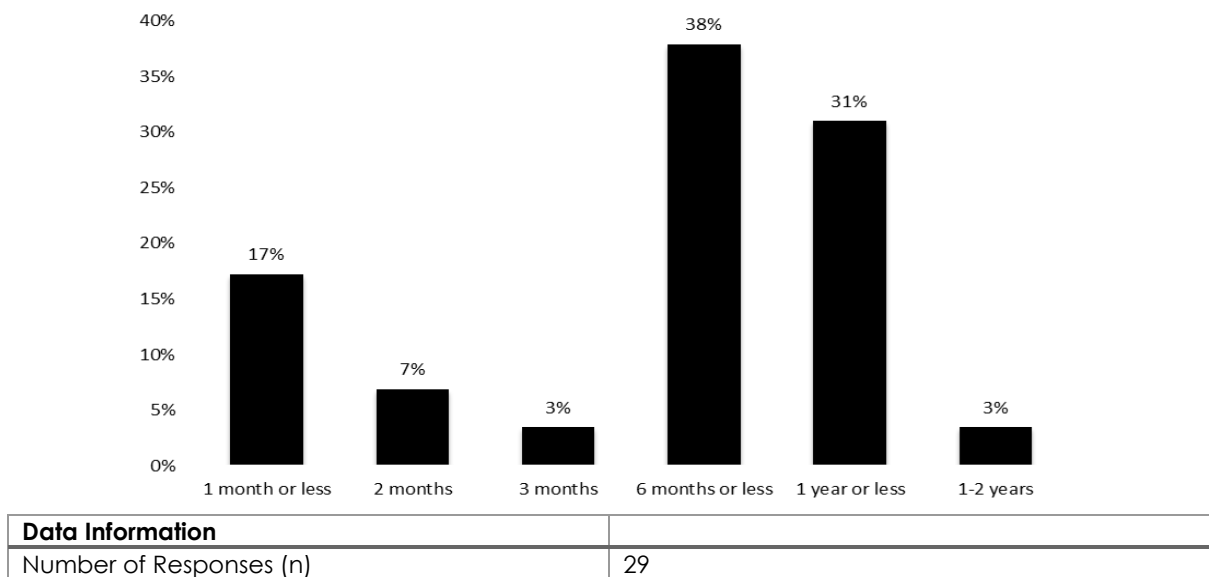


Figure 16 shows that of all the respondents who are employed, about 43% are permanent employees while 42% are freelancers. Less than 14% of the respondents are contract workers.

Figure 16: Full-time Employment vs Freelancing

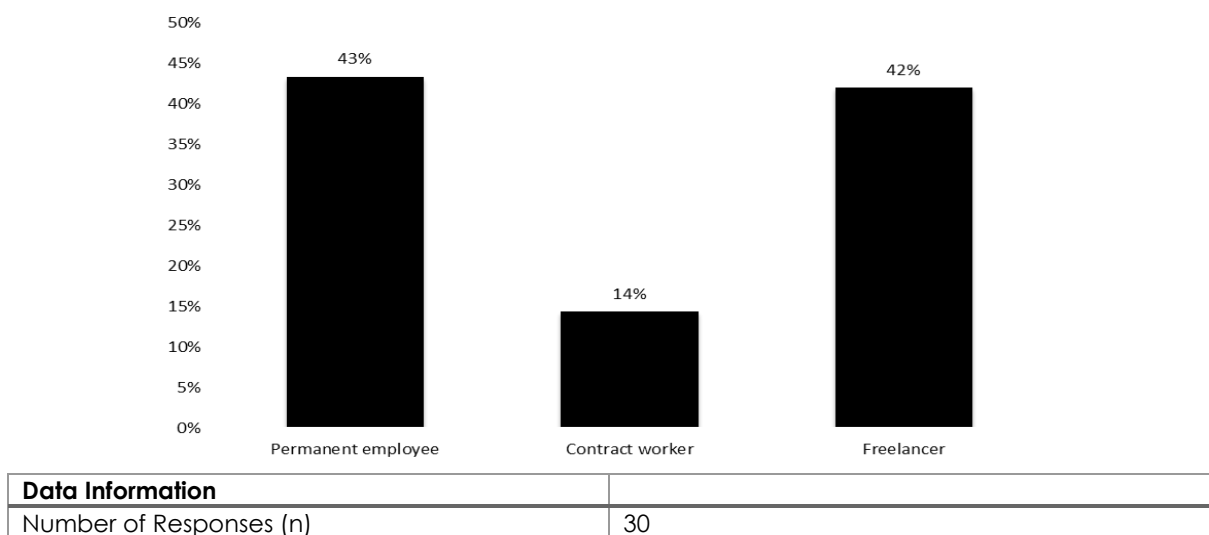


Figure 17 illustrates that of all the respondents who are contract workers, 58% indicated that they have a one-year contract while approximately 39% have contracts for a period of six months or shorter. Only 4% of respondents have contracts for longer than one year.

Figure 17: Length of Employment Contracts

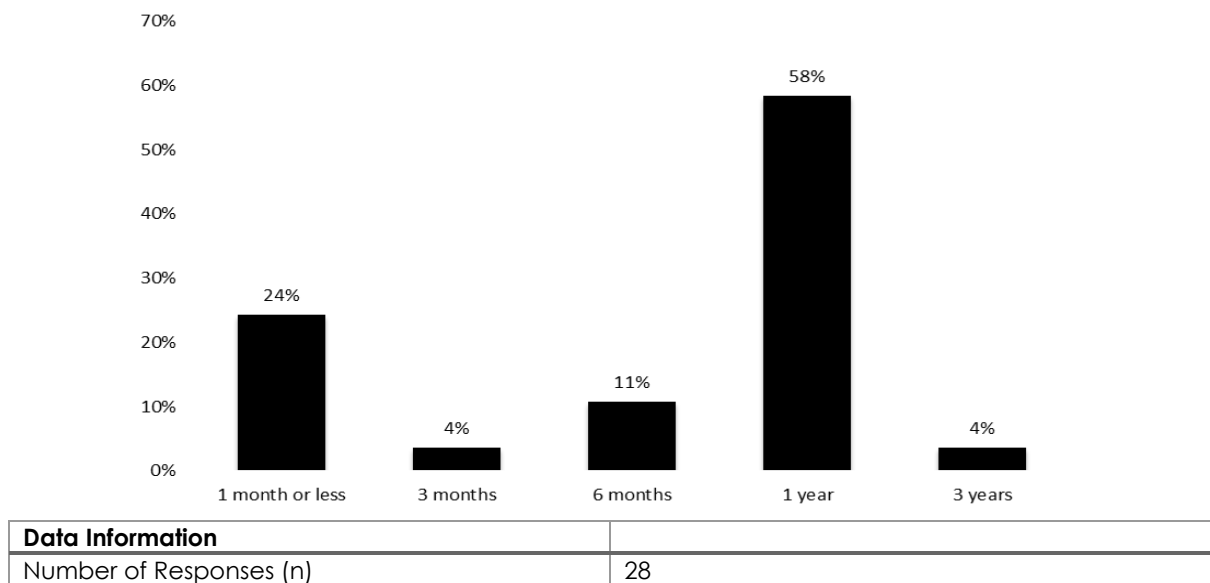
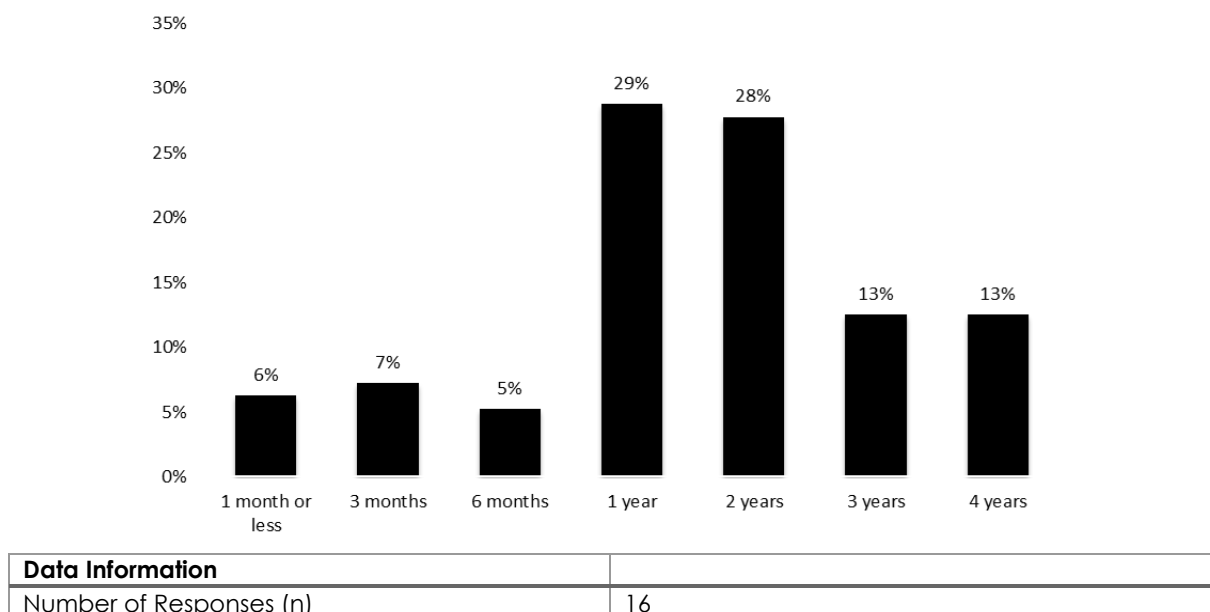


Figure 18 shows that of all the respondents who did not find employment, around 29% have been in the job market for one year. Approximately 28% have been in the job market for two years while 13% of the unemployed respondents have been in the job market for three or four years.

Figure 18: Duration of Unemployment

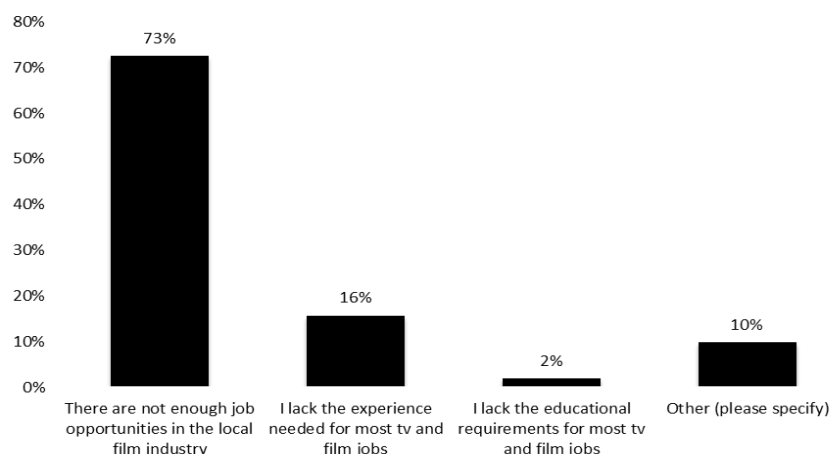


#### 4.2.5 EMPLOYMENT CHALLENGES IN THE KZN FILM SECTOR

Students and graduates were asked about their biggest employment challenges in the KZN film sector in order to identify possible supply challenges in the sector. Figure 19 shows that approximately 73% of respondents listed the lack of job opportunities in the local film sector as

their main challenge, followed by the lack of experience, which accounted for around 16% of responses. Under the 'other' category, the following reasons were identified: unfair employment practices, difficulty in entering the KZN film sector, and not knowing the right people/networks in the sector.

Figure 19: Employment Challenges



Data Information	
Number of Responses (n)	51

#### 4.2.6 POTENTIAL IMPROVEMENTS TO THE KZN FILM SECTOR

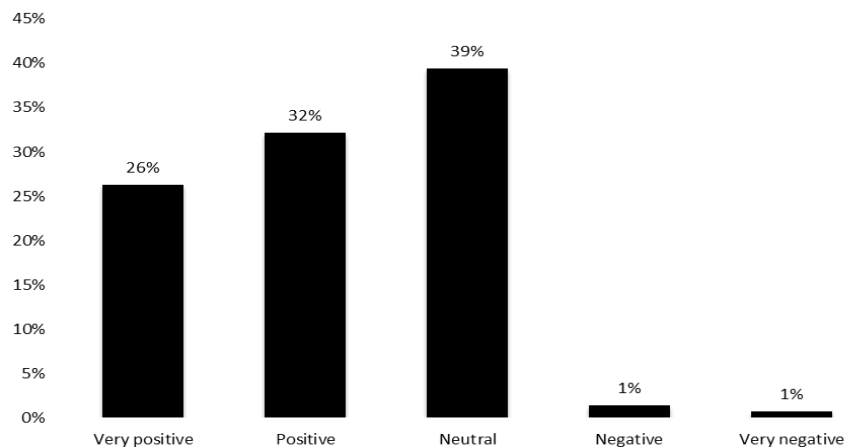
Students and graduates were asked to identify their needs and potential areas of improvement in the KZN film sector. The respondents mentioned the following:

- More opportunities for graduates (18%).
- Increased access to bursaries and internships (14%).
- Creating trusted kzn agencies that will assist students and graduates (14%).
- Increasing funding for young filmmakers (12%).
- Transparency in the sector so that new people can obtain opportunities within the sector (10%).
- Access to advanced equipment(10%).
- Improving the curriculum so it is more practical (9%).
- Increasing local productions and hiring KZNresidents (7%).
- Improving information flow and updating the KZNFC website (6%).

#### 4.2.7 EXPERIENCES OF KZN FILM SECTOR STUDENTS/GRADUATES

Students and graduates were asked to rate their experience in KZN film sector. Figure 20 shows that from the respondents, 26% have had a very positive experience working in the KZN film sector while over 32% have had a positive experience in the sector. Almost 40% of respondents provided neutral responses. Only 2% reported negative experiences.

Figure 20: Positive/Negative Work Experience

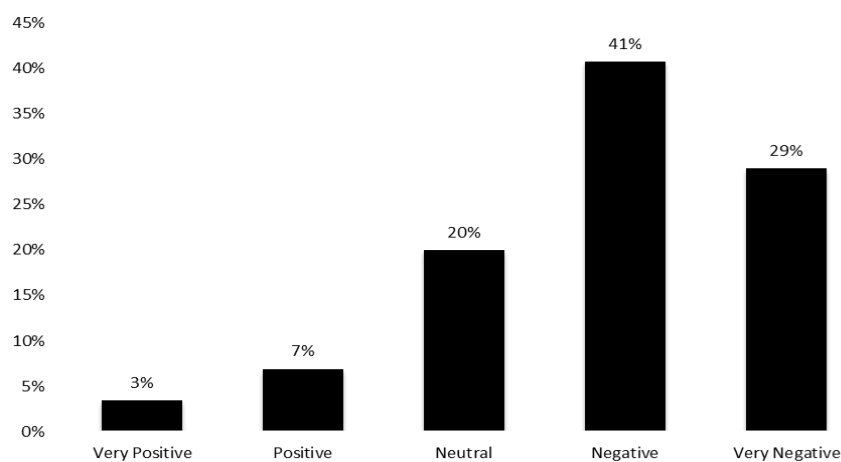


Data Information	
Number of Responses (n)	137

#### 4.2.8 THE IMPACT OF COVID-19 ON THE KZN FILM SECTOR

Figure 21 shows that COVID-19 has had a negative impact on over 40% of the respondents and a very negative impact on 29% of the respondents. A few respondents also noted a positive or very positive impact on their studies which included studying from home.

Figure 21: Impact of COVID-19



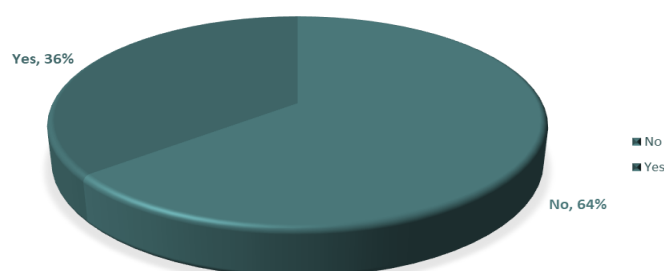
Data Information	
Number of Responses (n)	145

Respondents who made negative or very negative responses were asked to elaborate on their experiences. The responses included loss of jobs and job opportunities, increased difficulty in finding jobs and internships, decreased salaries, loss of lesson time (especially the practical component), difficulty of online learning and lack of internet access and laptops, and no access to equipment.

#### 4.2.9 TRAINING PROGRAMMES IN THE KZN FILM SECTOR

Students and graduates were asked to identify the need and role of training programmes within the sector. Figure 22 shows that most respondents (64%) have not engaged in training programmes in addition to their tertiary level education, which leaves almost 36% of respondents who have engaged in training programmes.

Figure 22: Training Programmes



Data Information	
Number of Responses (n)	145

Respondents were also asked to specify the training programmes they have been engaged in. These are outlined in Table 5.

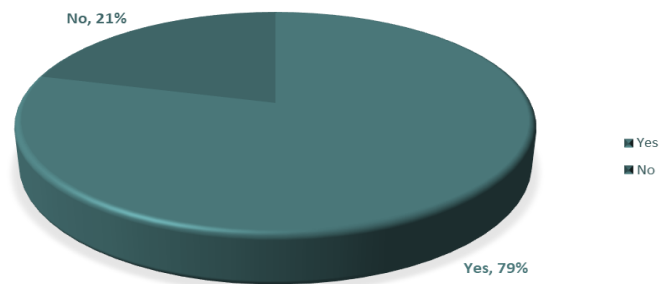
Table 5: Training Programmes

<b>Internships</b>	<ul style="list-style-type: none"> <li>• Digitv Internship - The YES Programme</li> <li>• Editing with Abba Shapiro</li> <li>• Scriptwriting with The Youth Filmmaker Project in 2014 and Trained for D-series Automation Control with Multichoice in 2016</li> <li>• Imbewu: The Seed</li> <li>• Internship on Grapevine Production</li> <li>• Internships with Various Film Crews</li> <li>• Isiziba Casting Agency Classes</li> <li>• Isibaya Writing Room</li> <li>• Nyachengos Video Productions</li> <li>• Panavision Johannesburg</li> <li>• Shakespeare Film Festival</li> </ul>
<b>KZNFC Training Programmes</b>	<ul style="list-style-type: none"> <li>• Production Accounting and Coordination Training, Business Incubation 2017</li> <li>• Big Fish Film School</li> <li>• The Fiti Programme</li> <li>• Production Budgeting Course</li> <li>• Kanika Kapoor Learnership</li> <li>• The Simon Mabunu Sabela Film Awards Internship</li> </ul>
<b>Learnership</b>	<ul style="list-style-type: none"> <li>• Learnership at Impucuzeko Skills and Training Development</li> </ul>
<b>Mentorships</b>	<ul style="list-style-type: none"> <li>• Mentorship and Script Development</li> </ul>
<b>Short Courses</b>	<ul style="list-style-type: none"> <li>• Short Courses in Motion Graphics and Graphic Design</li> <li>• Udemmy Short Course</li> <li>• Online Course</li> <li>• Masterclasses At ICC</li> <li>• Nq4 Sound Production and Sound Engineering</li> </ul>

#### 4.2.10 THE EFFECTIVENESS OF TERTIARY EDUCATION IN THE KZN FILM SECTOR

Respondents were asked to help identify possible education challenges within the sector. Figure 23 shows that most students, approximately 80%, feel sufficiently prepared for working in the film sector given their current education.

Figure 23: Effectiveness of Tertiary Education



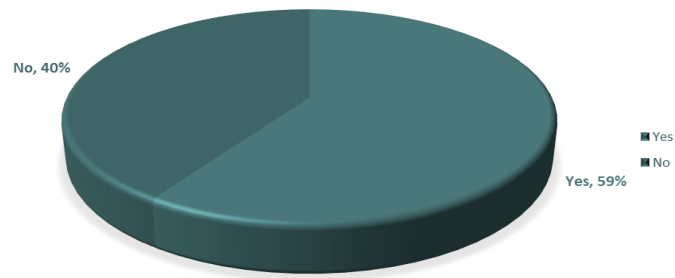
Data Information	
Number of Responses (n)	145

The respondents who listed that they do not feel adequately prepared were asked to provide their reasons to help identify possible challenges within the sector. These reasons included, outdated curriculum and equipment, lack of practical skills being taught in tertiary institutions, and focus on film rather than on TV. One of the respondents stated that 'we live in a changing film sector with many technology advancements, yet the educational system does not match this'.

#### 4.2.11 FUNDING FOR STUDENTS IN THE KZN FILM SECTOR

Respondents were asked if they received any funding and almost 60% have received some type of funding as outlined in Figure 24. However, since the survey was sent directly to the KZNFC bursary student database, this would have skewed the results towards a positive bias and therefore this result should be viewed with caution. From other survey questions, it can be concluded that there is still a need for funding in KZN (See Table 6 under Funding and Transparency).

Figure 24: Funding for Students



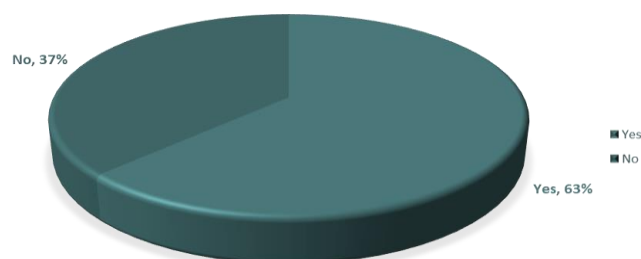
Data Information	
Number of Responses (n)	146

Respondents were asked to identify what funding they had received and the responses included KZNFC bursaries and scholarships, NSFAS funding, NFFV funding, UKZN Petrie Bursary, AFDA Bursary, Wela Productions funding, and private company funding.

#### 4.2.12 INSTITUTIONAL SUPPORT IN THE KZN FILM SECTOR

Respondents were asked to identify the gaps in institutional support within the KZN film sector. Figure 25 shows that of the respondents, 63% stated that they were sufficiently supported, while 37% stated that they were not. This answer may also be skewed more towards a positive bias due to the use of the KZNFC bursary database to collect responses. However, it can be concluded that there is still a need for funding in KZN (See Table 5 under Funding and Transparency).

Figure 25: Institutional Support



Data Information	
Number of Responses (n)	142



Respondents were asked to elaborate on their reasons for why they stated that they were not supported in the sector. Table 6 provides a classification of the responses received and quotes some of the responses.

Table 6: Institutional Shortcomings

Areas of Improvement	Suggestions by Survey Respondents
<b>Communication and Information Sharing</b>	<ul style="list-style-type: none"> <li>• 'The introduction of cross-institutional exhibitions to showcase completed work and share information on the sector to students.'</li> <li>• 'There is no database of collective alumni and therefore no recommendation for KZN film opportunities. Production funding opportunities are not supportive of youth filmmakers, and I encourage the commission to consider Black Female Filmmaker slates just as NFVF has done. This sector is not as inclusive as it should be, it applauds soapies and drama but never branches out to the actual film community.'</li> </ul>
<b>Target Students at High School Level</b>	<ul style="list-style-type: none"> <li>• 'Create an active interaction with the students in film and the high school scholars.'</li> <li>• 'Approach high schools. Have workshops or talks about the sector at secondary school level.'</li> <li>• 'I recommend the commission to have more presence in rural government schools to do a mock film shoot and show them that there is a different career path and the commission should even consider giving unemployed youth basic grips and camera assistance training which could help fill in the gap of skilled employment vs unskilled labour in the film sector. Not everyone plans on studying through university and becoming Head of Department, they might have excellent technical abilities, but that does not mean they should be excluded from the opportunity of contributing to our sector.'</li> </ul>
<b>More Relevant Curriculum</b>	<ul style="list-style-type: none"> <li>• 'Liaise well with film schools regarding content that is taught as well as shortages of the sector that schools could bridge the gap for. These institutions are quite current and understand the needs of the sector as well as shortages. This knowledge would help greatly in preparing the students more for what lies ahead. They should heavily collaborate with Film Schools and grant funding to people with some film qualifications.'</li> </ul>
<b>Funding and Transparency</b>	<ul style="list-style-type: none"> <li>• 'They can start by funding more students instead of the very few they do fund. They can be more involved in the work done by the institutions and fund student projects given by the institutions.'</li> <li>• 'Not too many people I know of have received funding from these institutions, most people are put on the waiting list. They provide funding for films or any other production but there is no guidance once the money is issued which seems reckless. Also, there are not any stable internship turns job offer programmes being provided by any of the institutions listed above and that is a disservice to the students fresh out of varsity looking for jobs or any experience and that's probably one of reasons we leave KZN. The application process alone takes a lot from the person applying and waiting for a reply takes forever. We sometimes find out too late about the funding when the applications have closed.'</li> <li>• 'I have been applying and worked hard to get a sponsorship for my studies. I have always worked towards it and I could not get it for 2nd year and third year is also taken that place I would highly be happy if I could get sponsor for Honours Degree.'</li> <li>• 'I do not know many students who have been funded by these institutions and these institutions fail to provide more knowledge and programmes that help improve the student's knowledge of the local sector itself. If they do provide programmes, then unfortunately I am not aware of them. I am not even aware of some of these institutions.'</li> <li>• 'Film school requires equipment, it would help if the funders gave out equipment allowance, NFVF does not offer accommodation allowance or any allowance. DUT does not give you money due to you, those funds can help boost our career in the film sector, we can buy equipment, pay for editing software's etc, so we can start shooting our short films.'</li> <li>• 'The KZNFC does not offer any additional support to bursary students apart from paying tuition. It would be of value if they included aspects of training and development especially for senior students.'</li> <li>• 'The lack of support of short films, short documentaries as qualifiers for feature film production funding is astounding, and I think the major discrepancy in our sector is that we have zero faith in the youth. I have attended DIFF for many years and consistently attended DFM in which we complain about the lack of diversity of race, gender and age and the lack of access of information, and the conversation dies out there. Yet through a research paper that the Commission itself has undergone, shows that less than 3% of KZN knows that there is a film festival here.'</li> </ul>
<b>Student Support Agency</b>	<ul style="list-style-type: none"> <li>• 'Have a scheme or a group to specifically deal with students rather than having to be pointed to officials, who are sometimes busy to attend student matters.'</li> </ul>

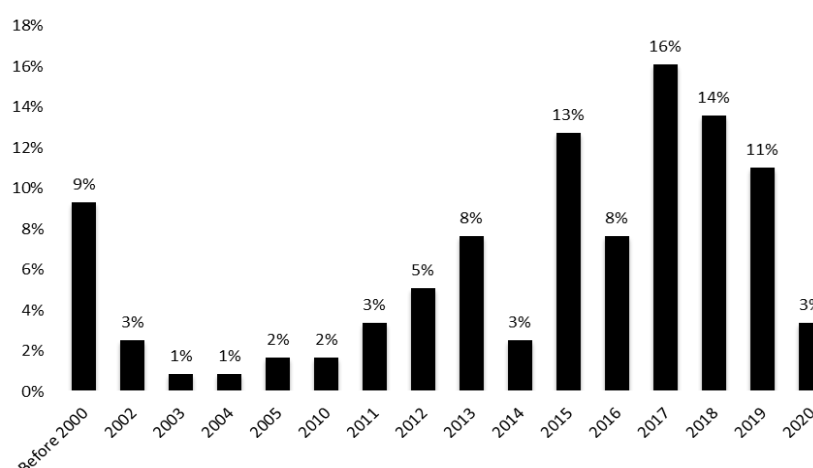
	<ul style="list-style-type: none"> <li>• 'I wish institutions such as KZNFC would assist scholars in putting them in positions where they can shadow sector professions to understand and conceptualize what it takes to make it in this sector.'</li> <li>• 'In my experience, we do everything ourselves and even with experience we go out of our way to find it with no help from such institutions.'</li> <li>• 'It would be a great idea if those who are already working in the sector, as experts, would regularly visit our schools to give us more insights and or advice with regard to the film and television sector.'</li> <li>• 'If they supplied us with more networking opportunities or work opportunities that would be helpful.'</li> <li>• 'Help graduates with placements in production houses.'</li> </ul>
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### 4.3. PERCEPTIONS OF KZN BUSINESSES

#### 4.3.1 PROFILING THE SURVEY RESPONDENTS

From 126 survey respondents, most of the respondents (16%) had established their businesses in 2017, followed by almost 14% in 2018 and almost 13% in 2015. Approximately 10% of businesses from the sample are long-standing businesses in the sector as they had established their businesses over ten years ago, as illustrated in Figure 26.

Figure 26: Established Businesses

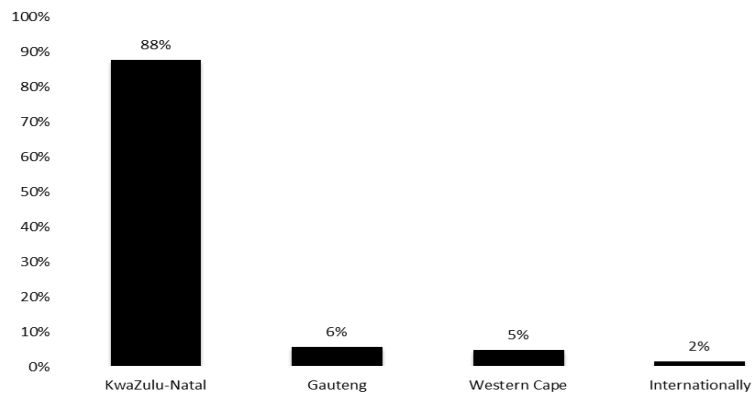


Data Information	
Number of Responses (n)	126

#### 4.3.2 LOCATION

Almost 90% of the respondents who answered the survey mainly operate in KwaZulu-Natal, followed by less than 5% who operate in Gauteng, the Western Cape and internationally, as illustrated in Figure 27.

Figure 27: Location of Businesses

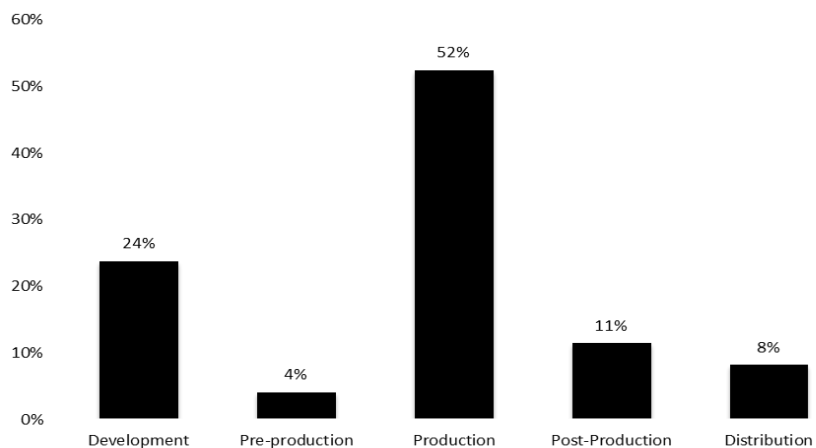


Data Information	
Number of Responses (n)	126

#### 4.3.3 TYPE OF BUSINESSES

Figure 28 shows that the majority of businesses surveyed (52%) operate mainly in the production stage of the film value chain followed by approximately 25% which operate in the development stage and approximately 11% which operate in the post-production stage. In addition, 8% of the survey respondents operate in the distribution stage of the film value chain.

Figure 28: Types of Businesses



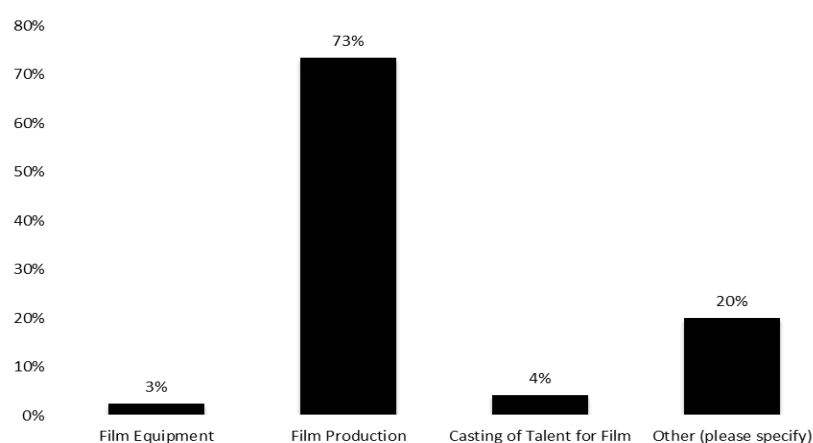
Data Information	
Number of Responses (n)	126

Figure 29 shows that the main services offered by the survey respondents include film production services (73%) followed by casting services (4%) and other services, including:

- Acting.
- Audio final mix.
- Camera work.
- Documentary filmmaking, event video/photography, corporate videos, etc.
- Edit, final mix and colour grading.

- Graphics and animation, children's animation and products.
- Logistics.
- Make-up and hair.
- Making content for international platforms.
- Production and post-production.
- Props fabrication.
- Screenwriting and producing.
- Scriptwriting, script editing and head writing.
- Training writers.
- Wardrobe assistant, lighting assistant, props standby and accommodation booker.

Figure 29: Services Offered by Businesses

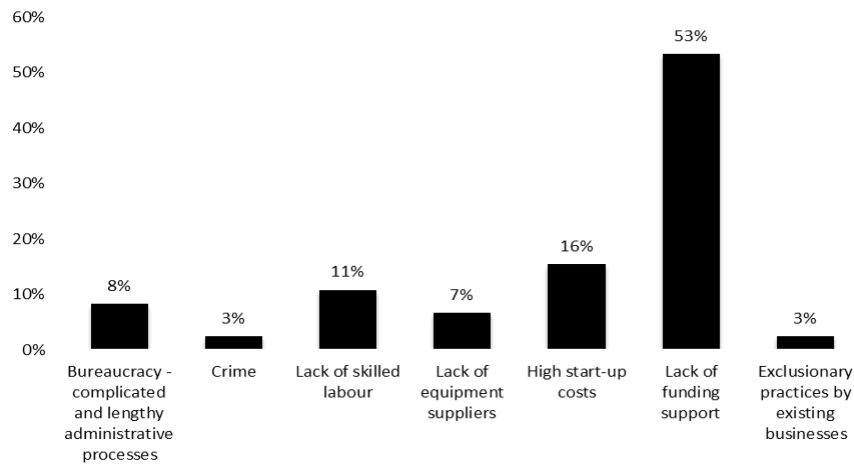


Data Information	
Number of Responses (n)	120

#### 4.3.4 BARRIERS TO ENTRY IN THE KZN FILM SECTOR

Respondents were asked to outline the barriers to entry in the KZN film sector. Despite incentive support and training mechanisms in the sector, over 50% of respondents named the lack of funding as the main challenge in establishing their businesses in KZN as outlined in Figure 30. The second biggest obstacle (which is also related to the funding challenge) is the high start-up costs (12%) within the sector, followed by the lack of skilled labour (11%).

Figure 30: Barriers to Entry

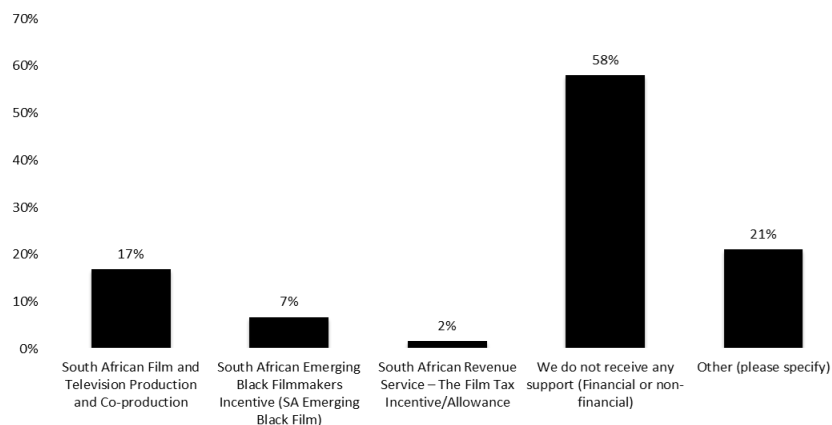


Data Information	
Number of Responses (n)	120

#### 4.3.5 INSTITUTIONAL SUPPORT FOR FILM SECTOR BUSINESSES IN KZN

Respondents were questioned regarding institutional support within the KZN film sector. Figure 31 shows that the majority (60%) recorded receiving no support, while 21% received support for production funding, documentary film fund, incubation and training from institutions such as the KZNFC, NFVF, KZN Tourism, EDTEA, the National Youth Development Agency (NYDA), funding for Film Exhibition and the Durban Film Office (DFO).

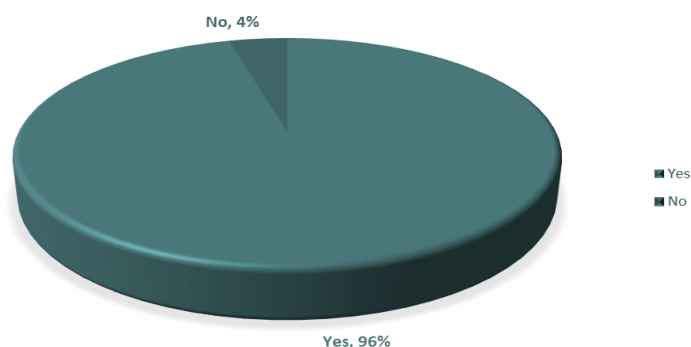
Figure 31: Institutional Support



Data Information	
Number of Responses (n)	119

Figure 32 shows that ninety-six percent (96%) of the respondents stated that they were not satisfied with the support they receive, and that additional financial and non-financial support is required.

Figure 32: Dissatisfaction with Business Support



Data Information	
Number of Responses (n)	123

The main types of support that they require are listed in Table 7.

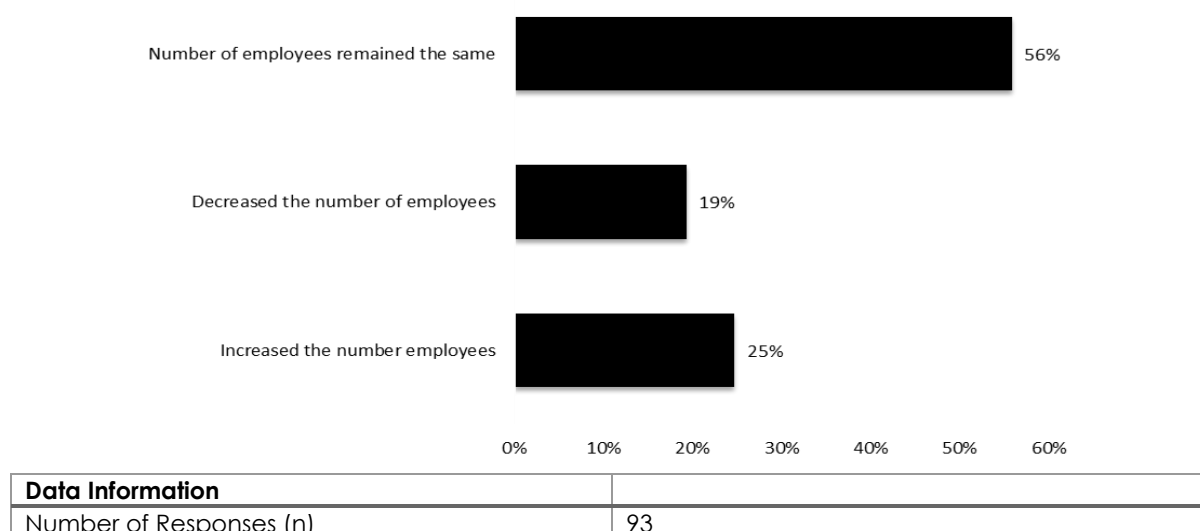
Table 7: Types of Business Support Required

Financial Support	<ul style="list-style-type: none"><li>Seed capital</li><li>Production funds</li><li>Distribution funding.</li></ul>
Non-financial Support	<ul style="list-style-type: none"><li>Legal and contractual terms</li><li>Marketing</li><li>Equipment – e.g. advanced computers designed for 3D animation, games, etc.</li><li>Skills development</li><li>Networking</li><li>Festivals.</li></ul>

4.3.6 EMPLOYMENT TRENDS IN THE SECTOR

Respondents were asked to outline the employment profile and trends of their businesses in the last two years. Figure 33 shows that from the total businesses that responded to this survey question, 56% of the respondents have neither increased nor decreased their number of employees in the last two years, 19% decreased the number of employees and 25% increased the number of employees. On balance, it appears that there has been some growth in the sector with more business increasing the number of employees than those decreasing them.

Figure 33: Employment Profile



#### 4.3.7 SKILLS IN THE SECTOR

Figure 34 shows the skills profile of the permanent and temporary employed staff in the sector. The number of the permanent employed respondents (in percentage) was 43% are highly skilled, followed by 29% that are semi-skilled and 28% that are in the low-skilled category. Of the temporary employees, 34% are highly-skilled while the remainder are semi- and low-skilled. This shows that semi- and low-skilled employees make up a larger portion of temporary employment, compared to permanent employment. The survey results mirror the perception of the sector that a large number of lower skilled persons are employed temporarily as and when the need arises. It is therefore a highly flexible and mobile sector providing little job security to employees especially those in the lower skill levels.

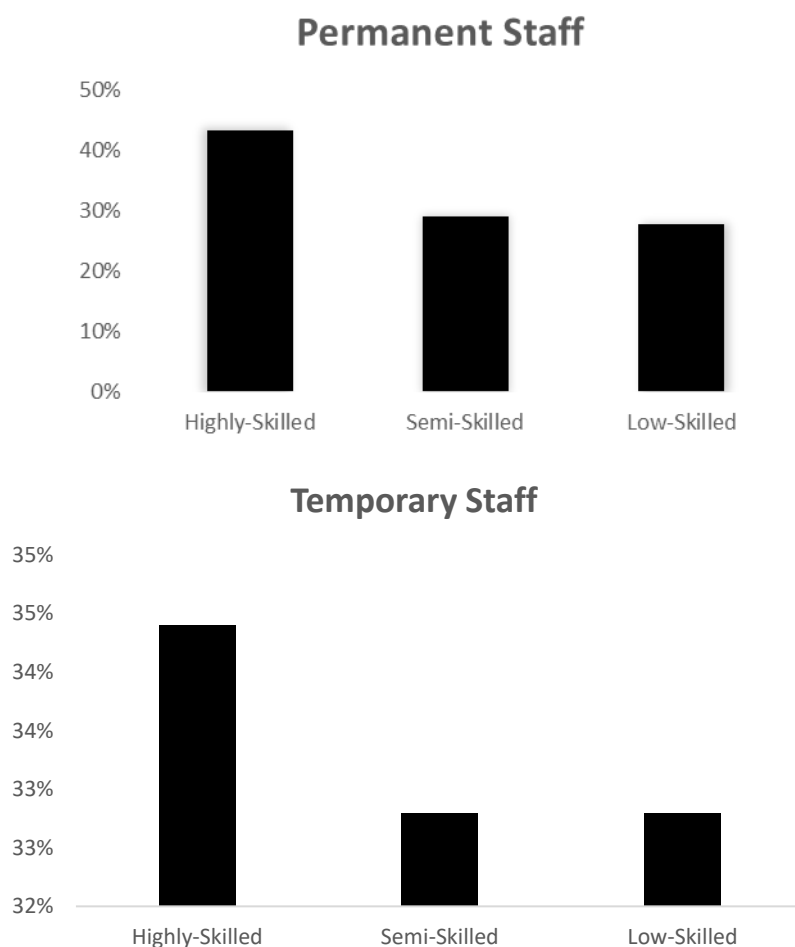
#### Skill Categories

Highly-Skilled: includes managers, professional and technician occupations.

Semi-Skilled: includes clerks, craft personnel and related operators.

Low-Skilled: includes elementary occupations.

Figure 34: Employee Skill Levels



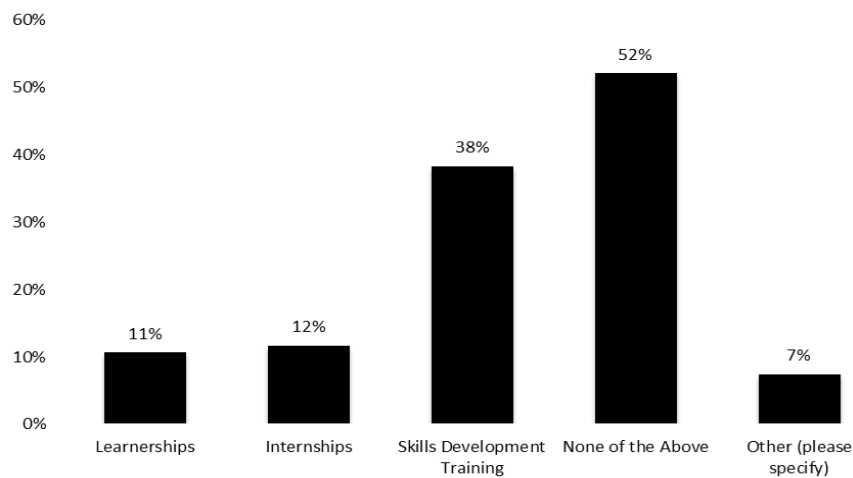
Data Information	
Number of Responses (n)	93

#### 4.3.8 SKILLS DEVELOPMENT IN THE SECTOR

The questionnaire identified the frequency of business engagement in training programmes in KZN. Figure 35 shows that the majority of businesses (52%) did not engage in any form of training programmes in the last two years while almost 40% of businesses did engage in skills development training. This shows that training is not a priority for most KZN businesses and that there is room for improvement. This appears to be contrary to the view of businesses that there is not enough well-trained staff. Businesses should be made more aware of the benefits of engaging in training programmes and encourage staff to participate in the opportunities offered.



Figure 35: Skills Development

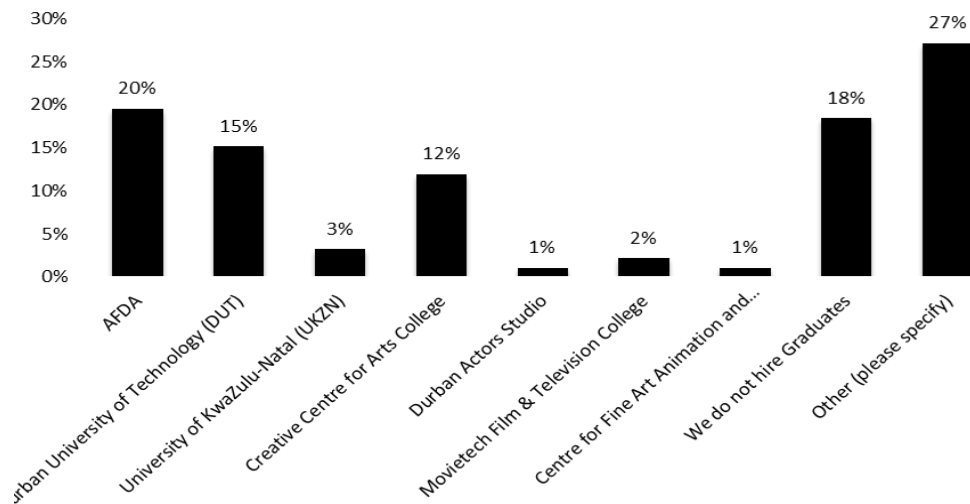


Data Information	
Number of Responses (n)	94

Respondents were asked what other types of training programmes were undertaken in the last two years to help identify recent trends in the sector, these responses referred mainly to “workshops”.

Figure 36 shows that almost 20% of students who were actually hired in the sector are from AFDA, followed by DUT (15%), while fewer than 5% are hired from UKZN. A significant portion of students from other institutions were also identified. The other institutions include City Varsity, University of South Africa (UNISA), Impucuzeko Training Skills, TVET College, FITI, Mangosuthu University of Technology (MUT), KZNFC training programme graduates, National Electronic Media Institute of South Africa (NEMISA) and ICESA College. This may indicate that students that are trained in private educational institutes may be more attractive to employers. This trend could be due to employers' perceptions of students from private institutes, which could be more favourable than those in public institutes. The government training institutions may need to review their training programmes and the relevance thereof to the sector.

Figure 36: Levels of Graduate Hires from various Institutions

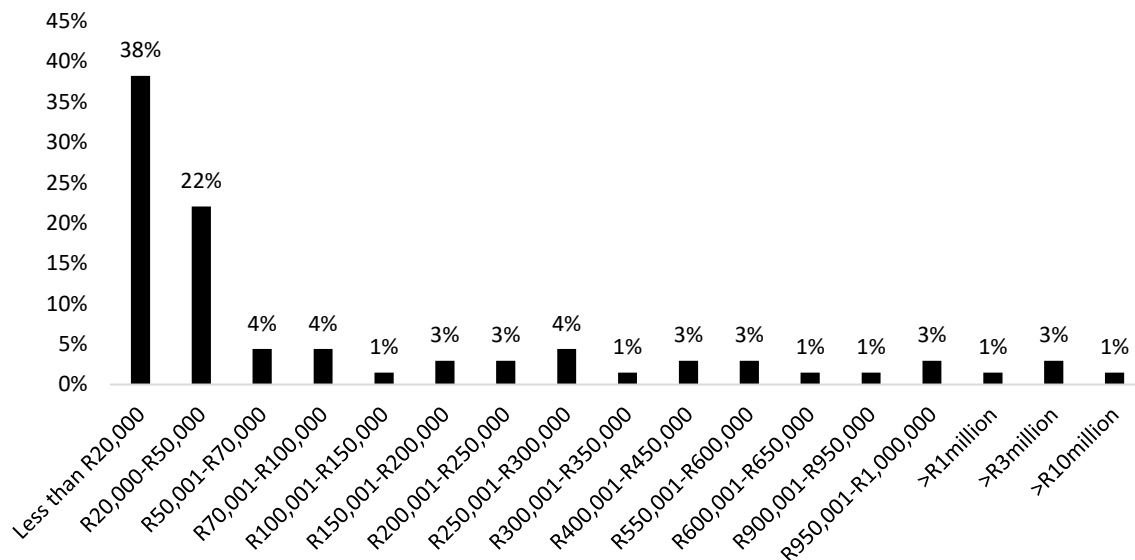


Data Information	
Number of Responses (n)	92

#### 4.3.9 AVERAGE TURNOVER OF KZN BUSINESSES

Figure 37 shows that of the total respondents, 38% had an annual turnover of less than R20 000 in 2019, followed by 22% who had a turnover of between R20 000 and R50 000. These results indicate that most KZN film sector businesses are not performing well financially.

Figure 37: Annual Turnover 2019

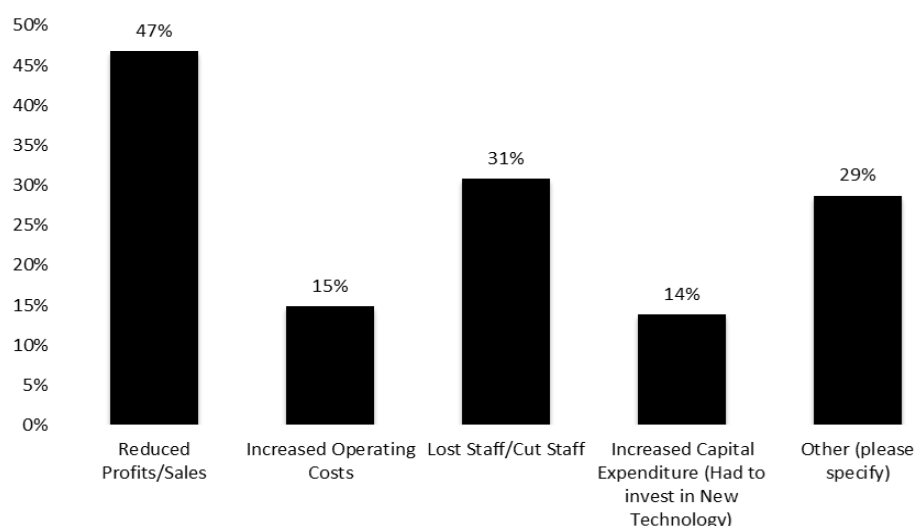


Data Information	
Number of Responses (n)	92

#### 4.3.10 THE IMPACT OF COVID-19 ON KZN BUSINESSES

Figure 38 shows the impact of COVID-19 has been negative for most students and graduates as well as businesses with almost 47% of business respondents recording a loss of profit followed by loss of staff (31%) and other impacts are listed in Table 8.

Figure 38: Impact of COVID-19



Data Information	
Number of Responses (n)	94

Table 8: Impact of COVID-19

<b>Funding</b>	<ul style="list-style-type: none"> <li>• 'It became more difficult to find investment.'</li> <li>• 'Increased turnaround time on applications.'</li> <li>• 'As we depend on funding mostly, there was funding received and no jobs created since we in entertainment sector.'</li> <li>• 'It paused the possible financial support and opportunities from funding bodies as well as delayed production and hence pushed the estimated delivery times.'</li> </ul>
<b>Production Delays</b>	<ul style="list-style-type: none"> <li>• 'Plans for production delayed to 2021, reduced salaries.'</li> <li>• 'Income loss: Due to moving projects to 2021.'</li> <li>• 'It has delayed the process as I have been developing my script.'</li> <li>• 'Stopped sudden growth.'</li> <li>• 'Increased time of production.'</li> <li>• 'We are not able to shoot or edit.'</li> <li>• 'Limited projects since the prohibition of gatherings in the lockdown regulations gazetted.'</li> </ul>
<b>Distribution Delays</b>	<ul style="list-style-type: none"> <li>• 'Termination of international travel to film festivals (distribution of film to festivals).'</li> </ul>
<b>Closure of Businesses</b>	<ul style="list-style-type: none"> <li>• 'Permanently closed.'</li> </ul>

#### 4.3.11 LABOUR ISSUES IN THE KZN FILM SECTOR

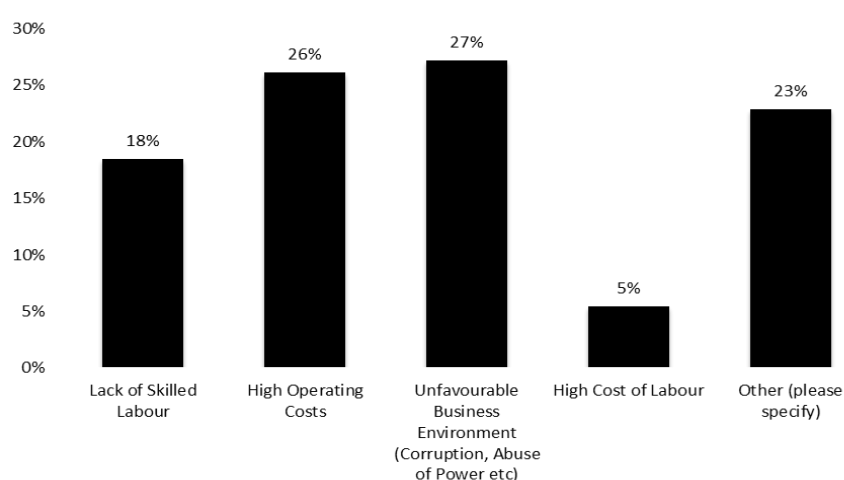
The majority of respondents (43%) listed the lack of funding and equipment as the major labour issue that they faced, followed by 33% who stated the lack of skills and experience as their biggest challenge locally, while 13% of respondents stated that they do not make enough money, or their business was not big enough to hire staff. Other labour issues that were

experienced included increased competition from other provinces such as the Western Cape and Gauteng, legislation and collective action from employees, and transport for workers.

#### 4.3.12 FACTORS LIMITING GROWTH IN THE KZN FILM SECTOR

The questionnaire aimed to identify some of the main barriers to growth in the local film sector. Figure 39 shows that an unfavourable business environment was experienced by 27% of respondents as the main limiting factor in the sector, followed by high operating costs (26%) and other reasons such as lack of funding and the costs of producing animations.

Figure 39: Factors Limiting Growth in the Film Sector

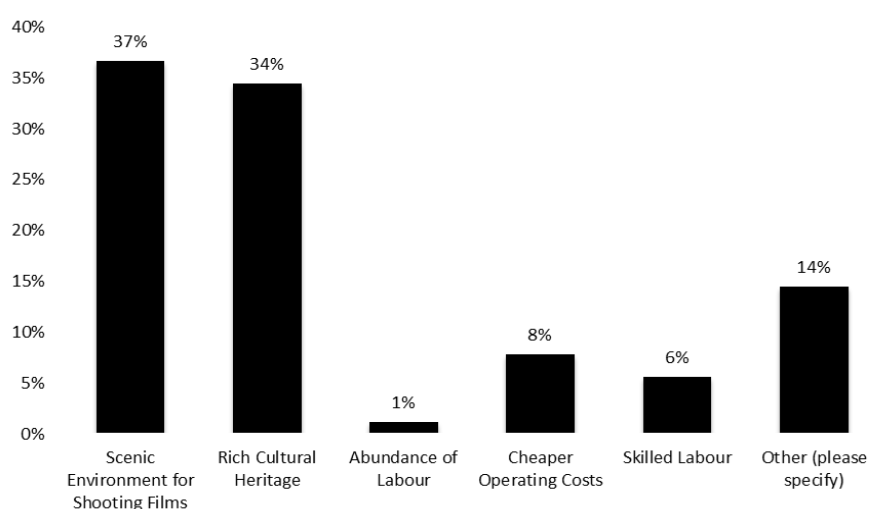


Data Information	
Number of Responses (n)	92

#### 4.3.13 KEY ADVANTAGES OF THE KZN FILM SECTOR

Figure 40 shows that about 37% of respondents pointed out that the scenic environment was the biggest advantage for shooting films in KZN, followed by 34% who stated that the rich cultural environment was the biggest advantage. Other responses included the low operating costs, cheaper labour relative to other provinces, diversity, greater accessibility to film agencies and the KZNFC, and shorter travel times.

Figure 40: Advantages of KZN Film Sector

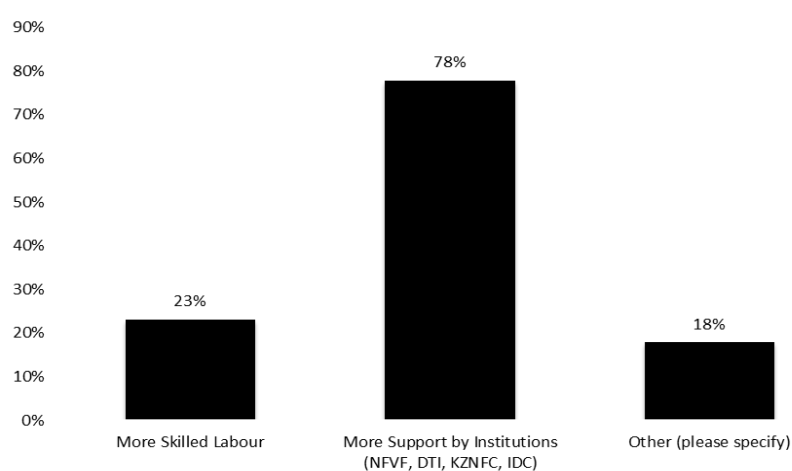


Data Information	
Number of Responses (n)	90

#### 4.3.14 STIMULATION OF GROWTH IN THE KZN FILM SECTOR

Most students and graduate respondents indicated that more support was required in the sector. A similar trend was found when KZN businesses were asked about support required, Figure 41 shows that 78% of respondents pointed out that more institutional support was needed to stimulate growth in the KZN film sector, 23% specified that more skilled labour was required. Other responses included improving access and support in distribution and exhibition channels, improving access to funding, more training and information sharing, improved curriculum, and less red tape.

Figure 41: Factors to Stimulate Growth



Data Information	
Number of Responses (n)	95

Respondents were also asked if they had other comments related to the sector. These are summarised under key headings in Table 9.

Table 9: Factors Affecting the Film Sector

Headings	Respondents' Comments
Information and Knowledge	<ul style="list-style-type: none"> <li>• Improve animation sector knowledge</li> <li>• Collaboration opportunities and sector workshops</li> <li>• Support in development stage</li> <li>• Improve accessibility to KZNFC</li> <li>• Improve communication related to film festivals</li> <li>• Develop an information and networking hub for filmmakers</li> <li>• Develop a KZN cooperative with equipment and information sharing</li> <li>• Improve distribution platforms</li> <li>• More networking forums/hub for filmmakers.</li> </ul>
Equality and Accountability	<ul style="list-style-type: none"> <li>• Equal opportunity to all in funding procedures</li> <li>• More inclusive funding procedures</li> <li>• Public Online Complaint Forum to increase accountability and transparency of the KZNFC</li> <li>• Remove age restrictions in support and funding opportunities.</li> </ul>
Skills Development	<ul style="list-style-type: none"> <li>• Skills development for filmmakers</li> <li>• The lack of skills development in rural areas</li> <li>• Support emerging filmmakers.</li> </ul>

## 4.4 CONCLUSION

This section outlines the perceptions held by KZN film sector students, graduates and businesses about the KZN film sector.

### EMPLOYMENT IN THE KZN FILM SECTOR

In terms of the perceptions of 183 students and graduates from KZN, there is a general consensus that the province lacks job opportunities for film students and graduates. In addition, KZN residents are not given preference when it comes to job opportunities locally.

From the KZN film sector graduates surveyed in this study, 45% are employed in the film sector while approximately 28% of respondents have been unemployed in the last two years. This shows a high unemployment rate amongst KZN film sector graduates which is concerning.

From the employed labour force, around 43% are permanent employees while 42% are freelancers. Less than 14% of the respondents are contract workers with most of these contracts being one-year contracts (58%).

From the 126 businesses surveyed, approximately 56% have not increased or decreased their number of employees in the last three years. However, the current impact of COVID-19 is likely to change this trend and employment is expected to dip significantly in 2020. The impact of

COVID-19 has been negative in KZN where 47% of surveyed businesses recorded a loss of profit followed by loss of staff (31%).

In terms of skill level, the high skilled category makes up the largest portion of permanent and temporary employees and almost 40% of KZN businesses surveyed had engaged in skills development training in the last two years.

The average time taken to find employment in the sector, was six months or less (38% of respondents) while 31% of respondents found employment within one year. Of the employed labour force, about 43% are permanent employees while 42% are freelancers. Less than 14% of the respondents are contract workers with most of these contracts being one-year contracts (58%).

### **TRAINING IN THE KZN FILM SECTOR**

In terms of training, 80% of surveyed students and graduates feel adequately prepared to work in the film sector. Most student and graduate respondents (64%) have not engaged in training programmes in addition to their tertiary level education, which leaves almost 36% of respondents who have engaged in training programmes.

### **BARRIERS TO ENTRY IN THE KZN FILM SECTOR**

The majority of KZN businesses surveyed (43%) listed the lack of funding and equipment as the major issue that they faced, followed by 33% who stated the lack of skills and experience was their biggest challenge locally, while 13% of respondents stated that they do not make enough money or their business is not big enough to hire staff. Other issues that were captured included increased competition from other provinces such as the Western Cape and Gauteng, legislation and collective action from employees.

In terms of establishing their business in KZN, over 50% of respondents named the lack of funding as the main challenge in. The second-biggest obstacle is the high start-up costs (12%) within the sector, followed by the lack of skilled labour (11%). In terms of the main barriers to growth in the local film sector, 27% of businesses surveyed stated that an unfavourable business environment was the main limiting factor in the sector which includes corruption and nepotism, high operating costs (26%), a lack of funding and the costs of producing animations.

### **THE ADVANTAGES OF THE KZN FILM SECTOR**

The key advantages of the KZN film sector is the scenic environment for shooting films and the rich cultural environment. Other responses included cheaper labour relative to other provinces, diversity, and greater accessibility to film agencies and the KZNFC.

## **SECTION FIVE: ECONOMIC CONTRIBUTION OF THE FILM SECTOR**

### **INTRODUCTION**

This section estimates the contribution of the KZN film sector to the South African economy. The section begins with an outline of the research methodology used to estimate the economic indicators.

The data discussed here is used to formulate an economic model that demonstrates the economic impact of the KZN film sector on the South African economy. The economic contribution model assists to quantify the various economic spin-offs as a result of each of the KZN film sector's business operations. The inclusion of total production, employment, wages and salaries allow for a detailed and dynamic model that can inform the sector of its impact in each area of the economy, from employment opportunities created to contributions to the GDP.

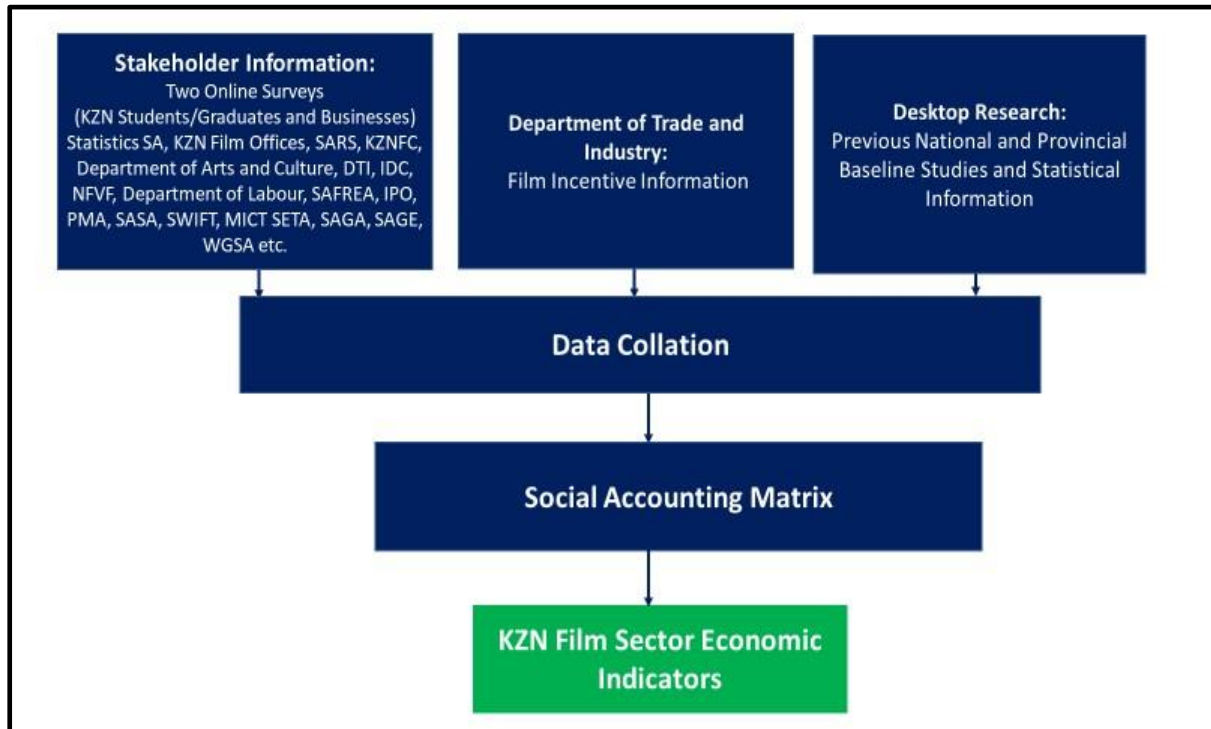
The GDP and employment estimates in sub-section 5.2 and sub-section 5.3 does not take the full effect of COVID-19 into account and is based on the previous years without the impact of COVID-19. As the COVID-19 pandemic is still ongoing, it is difficult to comprehensively determine its full impact at the time of the study.

### **5.1 METHODOLOGY**

Due to the unregulated nature of the film sector, there is a lack of data and research about the various aspects of the sector and its value chain. Thus, the usual methods used in assessing the impact and deriving indicators are difficult to implement. This means a multidimensional approach is needed, through a collection of primary survey information, available statistics and data from institutions (such as Stats SA, SARS, NFVF, DTIC, KZNFC and the relevant film offices in KZN) and using these indicators to estimate the film sector's economic contribution both nationally and provincially. The Figure 42 outlines the research methodology.



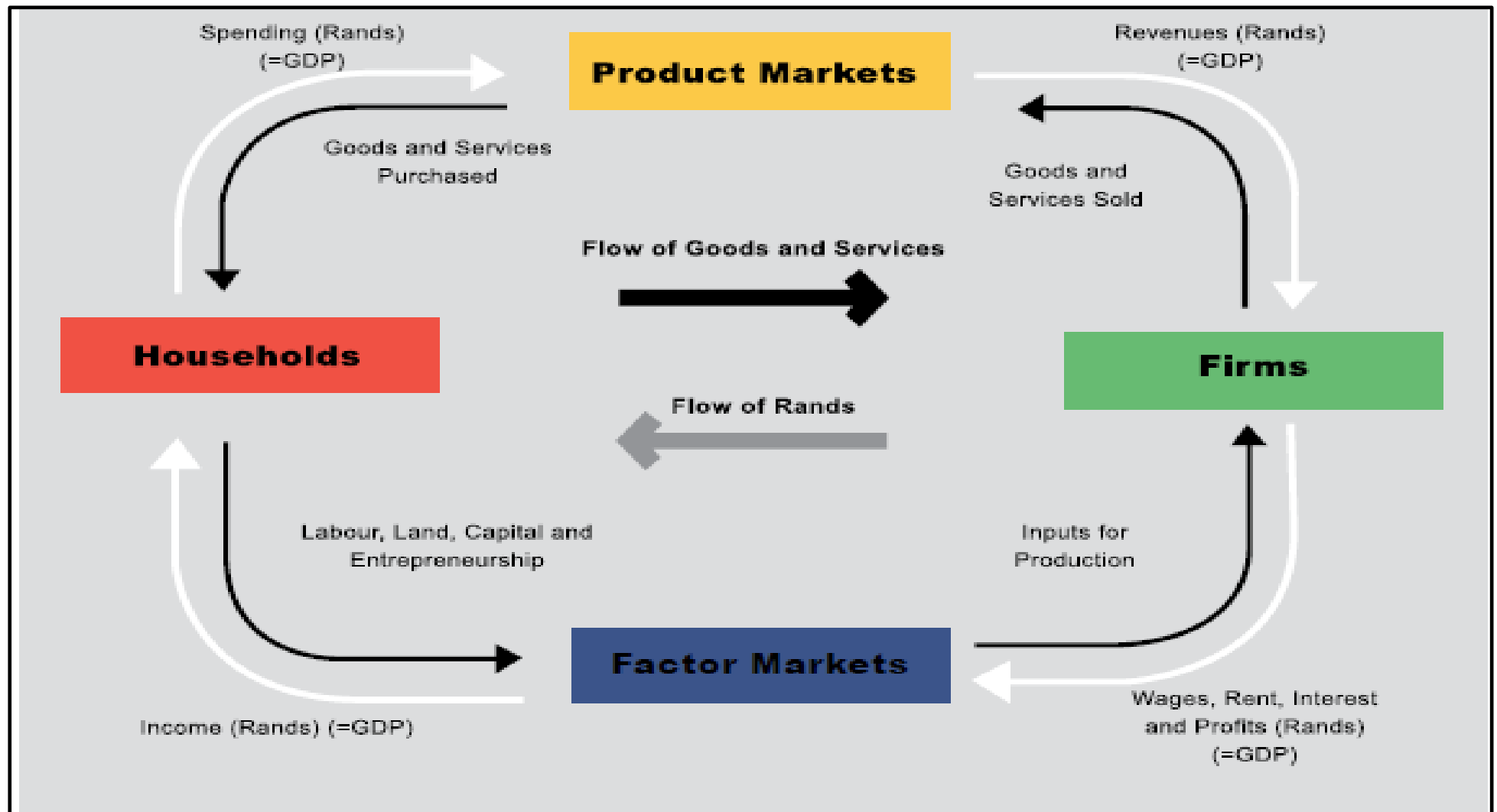
Figure 42: Methodology Utilised to Derive GDP and Employment Estimates



Source: Urban-Econ, 2020

The economy can be graphically represented in the circular flow model in Figure 43. The model captures all transfers and real transactions between industries and organisations. Product markets acquire labour, capital and land from the factor markets, and intermediate inputs from commodity markets to produce goods and services. These goods and services are then sold through commodity markets to households. Household purchases of commodities provide the income producers need to continue the production process. Firms then use this money to pay the households for their work, through wages. Thus, all income and expenditure flows in the economy are accounted for, and there are no leakages from the system since in the circular-flow diagram, each organisation's expenditure becomes another organisation's income (Thomas, 2009).

Figure 43: The Circular Flow Model of Income and Output



Source: Adapted by Urban-Econ, 2020

The film sector can generate substantial amounts of income by attracting millions of rands worth of local and foreign expenditure to the local economy, especially during the production stage of the film value chain. The economic impact generated by film production not only benefits production companies but also creates a positive economic impact throughout the economy, most notably for businesses including hotels, other accommodation, catering, vehicle rental, various other equipment rentals, and cast and crew. The advertising that occurs during and after production can also stimulate the economy through generating tourism expenditure when the province is featured in a successful film or TV series.

### **5.1.1 THE MODELLING PROCESS**

In order to derive economic indicators such as the size of the sector, the study employed a SAM analysis to build a model to which the gathered and collated inputs could be applied. Even though there are various methods of regional economic impact analysis, the SAM modelling approach has proven to be a particularly effective method for evaluating the implications of introducing an exogenous change to the economy. The modelling approach is recognised and accepted both nationally and internationally. The model utilised as part of this study is based on the national model and has been adapted to reflect local economic dynamics and local forward and backward linkages in KZN.

A SAM represents the flow of all economic transactions that take place within an economy (regional or national). A SAM is essentially a matrix representation of the national accounts for a given country which can be extended to include non-national accounting flows and can be created for whole regions or areas. SAMs refer to a single year providing a static picture of the economy, based on national accounting statistics and input-output tables that are compiled and published by Statistics South Africa, using primarily South African Reserve Bank accounts data. The sectoral parameters used in the model are therefore strictly compatible with the macro national accounting data published by the South African Reserve Bank and Statistics South Africa on a regular basis. However, the model has been amended to include local conditions. Importantly, it is the matrices that can be derived from the model that are used as instruments for economic analyses. The fundamental assumptions concerning the model, as well as the use of this model for analytical purposes, are:

- Production activities in the economy are grouped in homogeneous sectors.
- The mutual interdependence of sectors is expressed in meaningful input functions.
- Each sector's inputs are only a function of the specific sector's production.
- The production by different sectors is equal to the sum of the separate sectors of production.
- The technical coefficients remain constant for the period over which forecast projections are made.

- There will be no major change in technology.
- All the Rand values in this report represent 2020 Rand values (cost excluding 15% Value-Added Tax/VAT).
- The different measures of economic impacts cannot be added together and should be interpreted as separate economic impacts.
- The model quantifies direct and indirect/induced economic impacts for a specific period of time. Therefore, the estimates that are derived do not refer to gradual impacts over time.
- The aggregate film sector size is a combination of publicly (DTIC and KZNFC data) and privately funded (survey data) projections.

Economic impacts can be viewed in terms of their duration or the stage of the life cycle in which the operations take place. The current study analyses the operational phase (OPEX) which has the potential to last decades, hence the impacts during this stage would be ongoing. The range of possible economic benefits and impacts attributable to the operation of the film sector is quite diverse and can be quantitative or qualitative (measurable and non-measurable).

The quantitative economic impacts of the sector can be viewed in terms of a change in the following:

- **Production** – the value of all inter- and intra-sectoral business sales generated in the economy as a consequence of the operation.
- **Gross Domestic Product** – the value of all final goods and products produced during a one-year period within the boundaries of a specific area as a direct, indirect and induced result of activities of the SA film sector during the operation.
- **Employment** – the number of additional jobs created by economic growth. This includes jobs in new productions and sustainable jobs during operation. Indirect and induced job creation will also occur as a result of direct job and income creation.
- **Worker income** – this relates to the job creation mentioned above and indicates the increased household income of the new jobs created by this development.

Any of these measures can be an indicator of improvement in the economic well-being, which is generally the goal of any government. The net economic impact is usually viewed as the expansion or contraction of an area's economy resulting from the induced changes.

Economic impacts can be measured in terms of direct and indirect impacts:

- **Direct Economic Impact:** The direct economic impact refers to the employment, labour income and GDP generated within the film sector. This direct economic impact

is largely in the form of wages and salaries paid to the sector's workers (i.e. employees, freelancers and contractors). It also includes operating surplus (i.e. operating profits [return to shareholders] and sole proprietors' income) earned by companies and the value of depreciation of capital assets.

- **Indirect Economic Impact:** The indirect impact refers to the increase in employment, labour income, and GDP in the industries that supply inputs to the film sector (e.g. truck rentals, food and beverage, advertising services). These suppliers may be located within KZN or in other provinces or countries. Therefore, there may be some economic leakages out of the KZN economy, and the leakages reduce the potential indirect economic impact for KZN. In many cases, one film value-chain sector is a supplier to another sector; therefore, these intra-sector flows were also taken into account.
- **Induced Economic Impact:** The induced economic impact represents further shifts in spending on food, clothing, housing and other consumer goods and services as a consequence of the change in workers and payroll of directly and indirectly affected businesses. This leads to further business growth/decline throughout the local economy.
- **Total Economic Impact:** The total economic impact is equal to the sum of the direct, indirect and induced economic impacts.

## 5.2 CONTRIBUTION TO THE NATIONAL ECONOMY

The NFVF in 2017 commissioned an economic impact assessment study to determine the economic contribution of the South African film sector. The purpose of the study was to identify and quantify the economic impacts that arose in South Africa from the activities of companies and/or individuals in the film sector between January 2013 and March 2017. The study found that the total investment or expenditure that occurred in the South African film sector in the 2016/2017 financial year resulted in the following economic benefits:

- A direct impact of R4,4 billion on economic production, leading to a rise in total production in the economy to approximately R12,2 billion.
- The net operational expenditure produced in the years analysed in the study amounted to R17,5 billion.
- During the 2016/2017 financial year, the net operational expenditure of the film sector was R4,4 billion.
- The employment multiplier increased by a multiple of 4,9 for every R1 invested. Therefore, the South African film sector created an increase in employment, which meant that an additional two people benefited from the new income derived from the direct, indirect and induced jobs created in the 2016/2017 financial year (NFVF, 2017).

Table 10 provides the national film sector contribution in 2016/2017 and 2019/2020 estimates.

Table 10: Estimated National Film Sector Contribution<sup>20</sup>

Economic Impact of the South African film sector	2016/2017	Estimated 2019/2020
Production (R Million)	12 219	13 785
GDP (R Million)	5 484	5 375
Employment (Number)	21 656	32 599
Income (R Million)	2 416	2 871

Source: Urban-Econ Calculations based on historical trends, primary and secondary research information, 2020

In 2016/2017 the total production made of direct, indirect and induced impacts equated to R12,2 billion. This resulted in total impacts on GDP at R5,4 billion and an estimated 21 656 jobs. The total income in this period equated to R2,4 billion. Urban-Econ estimates that this will increase to approximately R13,7 billion in production, R5,3 billion impact on GDP, an estimated 32 599 jobs and R2,8 billion in income. Estimates are based on historical growth figures between 2013 and 2017 in the sector based on the national study of the NFVF (2017).

### 5.3 CONTRIBUTION TO THE KZN ECONOMY

Table 11 shows the DTIC incentive distribution by province. From a total of 102 grant approvals in 2018/2019, the Western Cape received 67,3% of grant funding with forty three approvals. The reason for the high number of grant approvals in the Western Cape is owing to the high investment multiplier in the province of 4.6. The province is deemed as a good investment and job creation location. Gauteng follows with 30,9% of the grant funds and fifty four approvals. Gauteng has an investment multiplier of 3.6. The location and studio facilities in Gauteng and Western Cape are likely to be the reasons for the large number of approvals in both these provinces. In terms of KZN, the province only received 0,9% of grant funding and three approvals. The investment multiplier equates to 2.1.

Table 11: DTIC Incentive by Province 2018/2019 in R million

Province	Grant amount in R million	% of Grant amount by Province
Western Cape	R670 997	67,3%
Gauteng	R307 914	30,9%
KwaZulu-Natal	R8 813	0,9%
Limpopo	R5 675	0,6%
North West	R3 535	0,4%
Total	<b>R996 936</b>	100%

Source: Urban-Econ Calculations based on data from the DTIC, 2019

In terms of investment needed to create additional employment opportunities, Gauteng is the most favourable at R156 461 per additional job in the film sector followed by the Western Cape at R190 950 per additional job in the film sector as outlined in Table 12. KZN is much higher at R314 767 per additional job in the film sector. The cost in the province is also much higher than the average of the five provinces which stands at R179 920 per additional job in the film sector.

Table 12: Average Amount to Create One Additional Job in the Film Sector by Province

Province	Projected new full-time equivalent jobs	Average amount to create one additional job
Western Cape	3 514	R190 950
Gauteng	1 968	R156 461
KwaZulu-Natal	28	R314 762
Limpopo	15	R378 367
North West	16	R220 996
<b>Total</b>	<b>5 541</b>	R179 920 <sup>21</sup>

Source: Urban-Econ Calculations based on data from the DTIC, 2019

### 5.3.1 THE ECONOMIC IMPACT OF THE KZN FILM SECTOR

Given the estimated 2019 South African film sector GDP estimates of R5,3 billion, it is expected that the KZN film sector will contribute an estimated R497 million<sup>22</sup>. However, this has been adjusted downward given the decreased investment in the province relative to Gauteng and the Western Cape and the increased competition from Limpopo and the North West. Thus, the economic impact is determined by an input-output analysis which measures the direct and indirect/induced impacts on the regional economy in the KZN film sector is outline in Table 13.

Table 13: Estimated Economic Impact of the KZN Film Sector<sup>23</sup>

Economic Impact	Direct	Indirect and induced	Total
Production	R404 869 313	R470 871 284	R875 740 597
Gross Domestic Added	R334 583 005	R129 803 363	R464 386 367
Income Contribution	R253 837 270	R53 895 648	R307 732 918
Employment Creation	1 286	1 496	2 782

Source: SAM Modelling and Urban-Econ Calculations, 2020

The model shows that an excess of R875 million was created from film sector activities directly and indirectly in the regional economy. This expenditure translates into a total value of R464 million to KZN's GDP. The income contribution of the sector equates to R307 million and 2 782 employment opportunities.

<sup>22</sup> Based on a ratio of 9,26% calculated in the 2015 baseline study.

<sup>23</sup> Subject to modification based on data from film offices.

### 5.3.2 OVERVIEW OF THE FILM SECTOR'S ECONOMIC CONTRIBUTION

Based on an economic overview by the National Treasury, South Africa's GDP growth forecast has been revised down for 2020 due to the impact of COVID-19. This will impact all sectors of the economy, including the film sector. Table 14 provides a summary of the film sectors' economic indicators on a national and provincial level.

Table 14: KZN Film Sector Contribution Indicators<sup>24</sup>

CONTRIBUTION INDICATOR	NATIONAL CONTRIBUTION		KZN CONTRIBUTION	
	2016/2017	Estimated 2019/2020	2014/2015	Estimated 2019/2020
Production Direct, Indirect and Induced	R12,2 billion	R14,7 billion <sup>25</sup>	Unknown	R875 million
GDP (R million) Direct, Indirect and Induced	R5,4 billion	R5,3 billion <sup>26</sup>	R327 million	R464 million
Number of full-time employment opportunities.	21 656	32 599 <sup>27</sup>	1 481	2 782
Permanent employment	5 769	Unknown <sup>28</sup>	820	1 540
Temporary employment	263	Unknown <sup>29</sup>	661	1 242
Total films released in South Africa	228	190		
Number of South African produced films released	28	22		
South African Box Office Generation through ticket sales	R1,1 billion	R1,2 billion		
South African produced films revenue	R69 million	R59,7 million		

Source: Urban-Econ Calculations based on historical trends, primary and secondary research information, 2020

From the last baseline study in 2015, the KZN film sector increased its GDP contribution from R327 million to R464 million, thus showing a R137 million increase between 2015 and 2020. In terms of employment, job creation increased from 1481 to 2782 additional employment opportunities. This shows that 1301 new job opportunities were created since 2015. This also translates into an estimated 720 new permanent employment positions and 581 new employment temporary positions.

## 5.4 CONCLUSION

In 2016/2017 the total production made of direct, indirect and induced impacts equated to R12,2 billion. This resulted in lower total impacts on GDP at R5,4 billion and an estimated 21 656 jobs. The total income in this period equated to R2,4 billion. Urban-Econ estimates that this will increase to approximately R13,7 billion in total production, having a R5,3 billion impact on GDP, an estimated 32 599 jobs and R2,8 billion in additional income.

<sup>24</sup> Subject to modification based on data from film offices.

<sup>25</sup> This is a rough estimate based on historical data: Awaiting national study results by NFVF expected to be completed in 2021.

<sup>26</sup> This is a rough estimate based on historical data: Awaiting national study results by NFVF expected to be completed in 2021.

<sup>27</sup> Awaiting national study results by NFVF expected to be completed in 2021.

<sup>28</sup> Awaiting national study results by NFVF expected to be completed in 2021.

<sup>29</sup> Awaiting national study results by NFVF expected to be completed in 2021.



In terms of DTIC incentives, KZN received 0,9% of grant funding and three approvals. The investment multiplier equates to 2,1 with is lower than the Western Cape and Gauteng. With regard to the investment needed to create additional employment opportunities, the cost in KZN is much higher than in Gauteng and the Western Cape at R314 767 per additional job in the film sector. This could be due to the lack of infrastructure as well as the lower number of productions in KZN relative to the other provinces.

Urban-Econ estimates that the KZN film sector contributed over R875 million in terms of production expenditure between 2019 and 2020. This expenditure translates to a total value of R464 million to KZN's GDP. This equates to an additional GDP contribution of R136 million and 2 782 additional employment opportunities since 2015.

## SECTION SIX: CONCLUSION

This section highlights the strengths, weaknesses, threats and opportunities (SWOT) within the film sector in KZN. The findings in this section have been drawn from stakeholder surveys, key sector information and desktop research.

### 6.1 SWOT ANALYSIS OF THE KZN FILM SECTOR

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Good climate, temperate, sub-tropical environment. Few days of shooting are lost due to rainfall and temperature fluctuations, especially during winter.</li> <li>• Scenic environment for shooting year-round. The province is well suited for shoots involving the ocean.</li> <li>• Location availability for shooting and ease of access to locations.</li> <li>• Movement between locations is quick due to limited traffic congestion.</li> <li>• Permitting process is advanced and efficient and film offices in the province contribute to the ease of processing permits.</li> <li>• The film sector is well-supported on a provincial level. Support from the KZNFC and other national institutions (NFVF, DTIC, IDC).</li> <li>• Production costs are relatively more affordable than other provinces.</li> <li>• Development programmes are underway in the province to stimulate the local film sector.</li> <li>• Rich cultural heritage. The Indian and Zulu influence in Durban makes it ideal for filming Indian or African cultural storylines.</li> <li>• Relatively cheaper labour costs in KZN when compared to the Western Cape and Gauteng.</li> <li>• A film cluster is in place in the province to support sector stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of skilled labour when compared to other national film destinations (leakages to other provinces). Lack of business and producer skills, scriptwriters and artists. Limited supply of crew.</li> <li>• There is also a limited availability of essential infrastructure (such as studios and equipment) in the province.</li> <li>• Skilled KZN film graduates look for employment in Gauteng and the Western Cape due to the limited opportunities in KZN.</li> <li>• Limited exposure to international film markets compared to Gauteng and Western Cape.</li> <li>• Challenge with high-level transformation within the sector.</li> <li>• Unregulated film sector environment.</li> <li>• High reliance of KZN businesses on government support.</li> <li>• Higher costs of creating new jobs in KZN than in Gauteng and the Western Cape.</li> <li>• Lower investment multiplier than the Western Cape and Gauteng.</li> <li>• The lack of a film studio in the province.</li> <li>• The lack of a large local market provincially and nationally. A lack of a movie-going culture, falling attendances, perception that content can be obtained cheaply or for free, home entertainment systems a cheaper alternative, transport to cinemas is often difficult/costly.</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• Potential development of the Durban Film City and studio.</li> <li>• The KZN film sector is growing and attracting increased international, national and local interest with over 12 productions taking place annually in the province.</li> <li>• The potential growth of brand integration/product placement (a process of marketing whereby the advertiser's product is central to the film's plot line) to boost revenue in the sector.</li> </ul>	<ul style="list-style-type: none"> <li>• Low economic growth provincially and nationally. Lower disposable income of consumers which hinders their ability to spend in the film sector (cinema tickets, paid downloads etc).</li> <li>• High levels of piracy and illegal downloads provincially and nationally.</li> <li>• COVID-19 and its restrictions on the film sector has put pressure on film businesses both nationally and provincially. Many businesses had to shut down temporarily or permanently, reduce sales and/or retrench staff.</li> <li>• High volumes of imported products. Hollywood, Bollywood and Nollywood are</li> </ul>

	strong competitors to South Africa and KZN in terms of foreign productions in the local box office and other platforms. There is high demand for international goods from local audiences as compared to local productions.
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Source: Urban-Econ based on various primary and secondary research sources.

## 6.2 CONCLUDING REMARKS

Previous baseline studies in South Africa utilise different definitions of the film sector, which makes it difficult when comparing economic indicators across these studies. The lack of a standardised definition across these previous baseline studies becomes problematic when comparing economic indicators across these studies. It is recommended that there should be a 'codification' for the film sector activities developed to clearly define it so that data can be collected on a standardised and comparable format. The NFVF provides a good definition that can be standardised across the sector.

The KZN film sector has shown significant growth over recent years. The sector participants have grown in numbers, coordination has been improved, and infrastructure in the form of a cluster is now available for sector use. Over the last decade, there have been positive changes in the KZN film sector. The province is the third largest in the country in terms of its film sector, followed by Gauteng and the Western Cape. Durban has become a hotspot for filming, recognition and accolades have been achieved abroad for successful locally-produced movies. The Durban Film Festival played a key role in promoting transformation and success in the sector. Government support and legislation were enacted with the aims, objectives, mandates, mission, and vision targeted at transforming the sector. The creation of the Durban FilmMart aims to help African filmmakers break into the international market. The KZN film sector is set to grow as young, breakthrough filmmakers are entering the sector. However, in general, the local productions are still facing challenges in competing with foreign productions in the local box office and other platforms. Major barriers or inhibitors to the growth of the KZN film sector include a lack of skilled crew and infrastructure, lack of large local market/consumer base, poor distribution of local films, limited access to local films by most of the population and a small talent pool.

In terms of the economic changes that occurred since the last baseline study in 2015, the KZN film sector increased its GDP contribution from R327 million to R464 million, thus showing a R137 million increase between 2015 and 2020. In terms of employment, job creation increased from 1481 to 2782 additional employment opportunities. This shows that 1301 new job opportunities were created since 2015. This also translates into an estimated 720 new permanent employment positions and 581 new employment temporary positions since 2015.

The film sector is one of the key sectors that can provide job creation and economic growth, given the labour-intensive nature of film production. Less tangible benefits of the sector include the boost it provides to cultural pride and its network externalities with other artistic sectors. However, given the unregulated nature of the film sector, it is difficult to comprehend the full impact of economic indicators of the sector as many people work as freelancers or independent contractors. Employment figures also depend on job availability. The film sector also offers numerous spin-off effects in the economy and plays an important role in tourism. However, to ensure a sustainable sector that contributes to the economy, an increase in skills development, accountability, transparency, increased support for graduates and improved information sharing is important for growth and development of the sector and on the number of film productions locally.

### **6.3 RECOMMENDATIONS**

The following is recommended for the continued growth of the local film sector:

- In order to improve transformation, human capital development and employment in the KZN film sector, it is important to address the apparent skills gap among historically disadvantaged groups. This report showed that the percentage of black people employed in skilled categories was generally low for all production types. In addition, South African film productions fared best in terms of overall black employment, but this was skewed towards lower-level employment categories, such as extras and cast. Thus, it is recommended that there should be a focus on upskilling historically disadvantaged groups to improve employment in higher skilled categories in the film sector.
- The development of studio facilities and related infrastructure would be beneficial to the continued growth of the sector. These facilities can help attract more productions and skilled labour to the province and help KZN compete more effectively, both locally and internationally. This will also help to improve employment in the KZN film sector since it will facilitate the increase of local productions.
- Provincial employment and human capital development can also be improved through the development of a student and graduate support agency that will assist students and graduates both during and after their studies. Assistance can include placing students in internships and mentoring programmes so that they are not forced to relocate to Gauteng or the Western Cape for job opportunities. This may therefore boost employment in KZN. It can also improve human capital development since this agency can facilitate more on-the-job training and exposure for KZN students and graduates.
- The funding mechanisms in KZN can become more efficient and less resource wastage can occur if transparency and accountability in the sector are improved. Production

companies, especially those receiving support from government agencies should be obliged to provide film budgets and funding information to the public or as a minimum, to the actors and crew employed. An independent monitoring body in the sector should be considered to ensure that best practices are upheld and that there is a platform for complaints and misconduct to be recorded and investigated. This will assist in addressing corruption and nepotism in the sector which can have a positive impact on barriers to entry in the film sector

- Provincial employment and human capital development can be enhanced through the restructuring of the curriculum in film and tv schools to include more practical based courses. This will ensure that students are better equipped to enter the sector once they graduate. This is also likely to improve their chances of being employed in the local film sector.
- Employment, funding mechanisms and human capital development can also be enhanced if agencies such as the KZNFC, NFVF and DTI ensure that information in the sector is accessible and up-to-date. For example, increasing the access to the latest sector information and knowledge about projects, funding, scholarships, employment opportunities, programmes and productions on websites and other platforms can improve employment, funding mechanisms and human capital development in KZN. All of these measures can also ensure that the barriers to entry in the sector are reduced.
- Employment and human capital development can also be enhanced through increasing the access to filming equipment and providing equipment at affordable leasing rates to students and graduates. This will allow students and graduates to create more film content and enhance their filming exposure, thereby, increasing their employability and skill level.
- The barriers to entry in the sector can be reduced and the funding mechanism can also be enhanced by ensuring that there is less red tape in the film production process and funding process. Removing unnecessary steps and costs involved in these processes will help more people produce films and receive funding. This can also promote employment growth of more local residents.

All of the above recommendations can increase the growth of the sector by addressing transformation, employment, funding, and human capital development, thereby, increasing the KZN film sectors contribution to the provincial and the national GDP.

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17. Investopedia. (2019). Investopedia. Retrieved from <https://www.investopedia.com/terms/i/investment-multiplier.asp#:~:text=The%20term%20investment%20multiplier%20refers,income%20and%20the%20general%20economy.>
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## 8. ANNEXURE

### Appendix 1: Stakeholder Engagement List

THE DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION (DTIC)			Means of Engagement	Date
1.	Nelly Molokoane	Director: Film and TV Incentive <a href="mailto:NMolokoane@thedti.gov.za">NMolokoane@thedti.gov.za</a> ; 079 885 4566	Electronic Communication	July 2020
2.	Dimakatso Kgomo	<a href="mailto:DKgomo@thedti.gov.za">DKgomo@thedti.gov.za</a>	Electronic Communication	July 2020
3.	Varsha Harinath	Manager Film and TV Incentive <a href="mailto:VHarinath@thedti.gov.za">VHarinath@thedti.gov.za</a>	Electronic Communication	July 2020
4.	Madeline Maree	Deputy Director: Programme Monitoring and Evaluation Industrial Finance Branch Department of Trade, Industry and Competition <a href="mailto:MMaree@thedti.gov.za">MMaree@thedti.gov.za</a> 012 394 3124	Electronic Communication	August 2020
<b>NATIONAL FILM AND VIDEO FOUNDATION (NFVF)</b>				
5.	Admin	Tel: 27 11 483 0880 Email: <a href="mailto:info@nfvf.co.za">info@nfvf.co.za</a>	Electronic Communication	July 2020
6.	Makhosazana Khanyile	<a href="mailto:info@nfvf.co.za">info@nfvf.co.za</a>	Electronic Communication	July 2020
7.	Skhumbuzo Mvelase	Stakeholder Relations Manager National Film and Video Foundation Tel: +27 11 483 0880	Electronic Communication	July 2020
<b>THE INDUSTRIAL DEVELOPMENT CORPORATION (IDC)</b>				
8.	Kgomoto D	Media and Audio-Visual Department 011 269 3000 <a href="mailto:Kgomotsod@idc.co.za">Kgomotsod@idc.co.za</a>	Electronic Communication	July 2020
9.	Mpho Maringa	Media Specialist at IDC <a href="mailto:Mphomar@idc.co.za">Mphomar@idc.co.za</a> 011 269 3966	Electronic Communication	July 2020
<b>DURBAN FILM OFFICE</b>				
10.	Antoinette Monty	<a href="mailto:antoinette.monty@durban.gov.za">antoinette.monty@durban.gov.za</a>	Electronic Communication and Zoom request	July 2020
11.	Admin	<a href="mailto:Filmdurban@durban.gov.za">Filmdurban@durban.gov.za</a>	Electronic Communication	July 2020
12.	Fezile Peko	<a href="mailto:Fezile.Peko@durban.gov.za">Fezile.Peko@durban.gov.za</a>	Electronic Communication	July 2020
13.	Bongumusa Stanford Ntuli	<a href="mailto:Bongumusa.Ntuli@durban.gov.za">Bongumusa.Ntuli@durban.gov.za</a>	Electronic Communication	July 2020
<b>DURBAN FILM MART</b>				
14.	Sharon Ngobo	<a href="mailto:sharon.ngcobo@durban.gov.za">sharon.ngcobo@durban.gov.za</a> Tel +27 31 311 4243	Electronic Communication	July 2020
<b>ZULU COAST FILM OFFICE</b>				
15.	Admin	Tel: +27 (35) 7992516 Fax: +27 (86) 7898176 <a href="mailto:contactus@film-zulucoast.co.za">contactus@film-zulucoast.co.za</a>	Electronic Communication	July 2020
16.	Noxy Mavundla	<a href="mailto:mavundlan@kingcetshwayo.gov.za">mavundlan@kingcetshwayo.gov.za</a>	Electronic Communication	August 2020
<b>MICT SETA</b>				



17.	Sithembiso Hlongwane	Tel: (031) 307 7248 Fax: (031) 307 5842 <a href="mailto:sithembiso.hlongwane@mict.org.za">sithembiso.hlongwane@mict.org.za</a>	Electronic Communication	July 2020
<b>DEPARTMENT OF LABOUR: KZN</b>				
18.	Admin	<a href="mailto:kzn.customercare@labour.gov.za">kzn.customercare@labour.gov.za</a> 031 366 2000 031 366 2300	Electronic Communication	July 2020
<b>DURBAN LABOUR OFFICE</b>				
19.	Sibongiseni Biyase	<a href="mailto:Sibongiseni.Biyase@labour.gov.za">Sibongiseni.Biyase@labour.gov.za</a> 0314019421	Electronic Communication	July 2020
<b>STATISTICS SOUTH AFRICA</b>				
20.	Matlapne Masupe	<a href="mailto:Mathlapanem@statsa.gov.za">Mathlapanem@statsa.gov.za</a> QES Manager	Electronic Communication	July 2020
21.	Bontlenyana Makhoba	<a href="mailto:bontlenyanama@statsa.gov.za">bontlenyanama@statsa.gov.za</a> Chief Economist: GDP Statistics South Africa Tel 012 310 8567	Electronic Communication	July 2020
<b>AFDA</b>				
22.	Lloyd O'Connor	<a href="mailto:LloydO@afda.co.za">LloydO@afda.co.za</a>	Electronic Communication	June 2020
<b>UNIVERSITY OF KWAZULU-NATAL</b>				
23.	Michelle Stewart	<a href="mailto:Stewartm2@ukzn.ac.za">Stewartm2@ukzn.ac.za</a>	Electronic Communication	June 2020
<b>DURBAN UNIVERSITY OF TECHNOLOGY</b>				
24.	Carolyn Burnett	<a href="mailto:caryb@dut.ac.za">caryb@dut.ac.za</a>	Electronic Communication	June 2020
<b>CREATIVE ARTS COLLEGE</b>				
25.	Kavitha, Kevin Palium	<a href="mailto:info@creativearts.co.za">info@creativearts.co.za</a> <a href="mailto:kevinpalium@icloud.com">kevinpalium@icloud.com</a>	Electronic Communication	June 2020
<b>DURBAN ACTORS STUDIO</b>				
26.	Admin	<a href="mailto:info@durbanactorsstudio.co.za">info@durbanactorsstudio.co.za</a> accounts@ durbanactorsstudio.co.za	Electronic Communication	June 2020
<b>MOVIETECH FILM AND TELEVISION COLLEGE</b>				
27.	Admin	Sent Survey link via Online Form	Electronic Communication	June 2020
<b>CENTRE FOR FINE ART ANIMATION AND DESIGN (CFAD)</b>				
28.	Shabnam	<a href="mailto:ShabnamCFAD@gmail.com">ShabnamCFAD@gmail.com</a>	Electronic Communication	June 2020
<b>DEPARTMENT OF SPORT, ARTS AND CULTURE</b>				
29.	Ms Tenjiwe Kambule	Acting PA to Deputy Minister Telephone: +27 (12) 441 3006 E-mail: <a href="mailto:TenjiweK@dac.gov.za">TenjiweK@dac.gov.za</a>	Electronic Communication	June 2020
30.	Ms Nomsa Hani	Head of Office: Deputy Minister Telephone: +27 (12) 441 3638 E-mail: <a href="mailto:NomsaH@dac.gov.za">NomsaH@dac.gov.za</a>	Electronic Communication	June 2020
<b>SOUTH AFRICAN REVENUE SERVICES (SARS)</b>				

31.	Ms Sharmain Andhee	Specialist (Telecommunications, IT and Media) Email: <a href="mailto:sandhee@sars.gov.za">sandhee@sars.gov.za</a> Mobile number: 071 856 3576	Electronic Communication	July 2020
32.	Mr Naeem Shahid	Senior Manager Email: <a href="mailto:nshahid@sars.gov.za">nshahid@sars.gov.za</a> Telephone number: 031 333 7139 Mobile number: 083 399 7703	Electronic Communication	July 2020
33.	Ms Melinda Smith	Operations Manager (KZN & PE) Email: <a href="mailto:lbqueries@sars.gov.za">lbqueries@sars.gov.za</a> Telephone: (031) 333 7184 Mobile number: 072 058 8512	Electronic Communication	July 2020
34.	Ms Zama Khuzwayo	Specialist Email: <a href="mailto:zkhuzwayo@sars.gov.za">zkhuzwayo@sars.gov.za</a> Mobile number: 082 594 3271	Electronic Communication	July 2020
<b>KING CETSHWAYO DISTRICT MUNICIPALITY</b>				
35.	Anita Tait	Tourism manager <a href="mailto:Taita@kingcetshwayo.gov.za">Taita@kingcetshwayo.gov.za</a>	Electronic Communication	July 2020
<b>SOUTHERN AFRICA'S FREELANCE ASSOCIATION (SAFREA)</b>				
36.	Lynne Smit - Chair	<a href="mailto:lynne@conversations2.co.za">lynne@conversations2.co.za</a>	Electronic Communication	July 2020
37.	Thea Aboud	Executive administrator <a href="mailto:admin@safrea.co.za">admin@safrea.co.za</a>	Electronic Communication	July 2020
<b>DOCUMENTARY FILMMAKERS' ASSOCIATION (DFA)</b>				
38.	Rahad Desai	<a href="mailto:rehad@icon.co.za">rehad@icon.co.za</a>	Electronic Communication	August 2020
<b>INDEPENDENT PRODUCERS' ORGANISATION (IPO)</b>				
39.	Liezel	<a href="mailto:administrator@ipo.org.za">administrator@ipo.org.za</a>	Electronic Communication	August 2020
<b>PERSONAL MANAGERS' ASSOCIATION (PMA)</b>				
40.	Janet du Plessis	<a href="mailto:info@apmcape.co.za">info@apmcape.co.za</a>	Electronic Communication	August 2020
<b>ANIMATION SOUTH AFRICA (A.S.A)</b>				
41.	Chairperson	<a href="mailto:chair@animationsa.org">chair@animationsa.org</a>	Electronic Communication	August 2020
<b>SOUTH AFRICAN GUILD OF ACTORS (SAGA)</b>				
42.	Jack Devnarain	SAGA Chairman Cell: 082 467 8925   E-mail: <a href="mailto:chairman@saguildofactors.co.za">chairman@saguildofactors.co.za</a>	Electronic Communication	August 2020
43.	Adrian Galley	SAGA VICE CHAIR 0829015884 <a href="mailto:vicecpt@saguildofactors.co.za">vicecpt@saguildofactors.co.za</a>	Electronic Communication	August 2020
<b>SISTERS WORKING IN FILM TELEVISION (SWIFT)</b>				
44.	Admin	076 897 1951 <a href="mailto:admin@swiftsa.org.za">admin@swiftsa.org.za</a>	Electronic Communication	August 2020
45.	Mary Ann Mandishona	Directing Graduate New York Academy 072 992 1487 <a href="mailto:Mandishona2022@yahoo.com">Mandishona2022@yahoo.com</a>	Electronic Communication	August 2020
<b>SOUTH AFRICAN GUILD OF EDITORS (SAGE)</b>				

46.	Marina du Toit	SAGE Chairperson +27 82 255 8077 <a href="mailto:info@editorsguildsa.org">info@editorsguildsa.org</a>	Electronic Communication	August 2020
<b>WRITERS' GUILD OF SOUTH AFRICA (WGSa)</b>				
47.	Mmule Naomi	<a href="mailto:admin@writersguildsa.org">admin@writersguildsa.org</a>	Electronic Communication	August 2020
48.	Theoline Maphutha	<a href="mailto:chair@writersguildsa.org">chair@writersguildsa.org</a>	Electronic Communication	August 2020

#### Appendix 2: List of Approved KZNFC funded projects 2019/2020

Genre	Project name	Province
Documentary	London recruits	KZN
Documentary	Labelled	GP
Documentary	Red Nature Films	KZN
Feature Film	Newlands	GP
Feature Film	The Honey moon	KZN
Feature Film	Valley of a thousand hills	KZN
Feature Film	Inhlawulo	GP
Feature Film	Low rider	GP
Fiction Slate	Urban Vision Consulting	KZN
Heritage Documentary	Joseph Shabalala	KZN
Made for TV	Blind Eye	KZN
Made for TV	One Time Pin	KZN
Made for TV	Mahamba yedwa	KZN
Made for TV(short)	End Game	KZN
Made for TV(short)	Salamina	KZN
Made for TV(short)	Rugby town	KZN
Micro	Uphondo	KZN
Micro	Lachitheka Igazi	KZN
Micro	Ibhasi Lika Mdaphuna	KZN
Micro	Akukho soka ladla kahle imbangi ikhala	KZN
Reality	Made in Africa	KZN
Short Film	Lean	KZN
Short Film	Time and Tide	KZN
Short Film	Ngikhona	KZN

#### Appendix 3: KZNFC funded projects that have received international recognition and accolades in 2019/2020

KZNFC project	Funded	Platform screened
Uncovered		<ul style="list-style-type: none"> <li>Pan African Film Festival 2019 – USA, Durban International Film Festival 2019</li> <li>Silicon Valley, San Francisco 2019 London (semi finalists)</li> <li>Royal Starr, Michigan 2019</li> <li>Chelsea Film Festival (opening film)</li> </ul>
Comatose		<ul style="list-style-type: none"> <li>FESPACO 2019 – Burkina Faso</li> </ul>
By all means necessary		<ul style="list-style-type: none"> <li>FESPACO 2019 – Burkina Faso</li> </ul>
The Zulu return		<ul style="list-style-type: none"> <li>Encounters 2019</li> </ul>

KZNFC project	Funded	Platform screened
Buddha in Africa		<ul style="list-style-type: none"> <li>Hot Docs 2019 – Canada, Encounters 2019 – Backsberg Encounters Audience Award, Durban International Film Festival 2019 (Best SA documentary)</li> </ul>
Deep End		<ul style="list-style-type: none"> <li>Caribbean Tales Film Festival 2018, Canada, Durban International Film Festival 2018, Zanzibar International Film Festival 2019. Winner of Best Film and Best Director at Simon Mabunu Sabela Awards 209</li> </ul>
3 days to go		<ul style="list-style-type: none"> <li>Zanzibar International Film Festival 2019</li> <li>Global India Film Festival December 2019</li> <li>Winner: Best Film, Best Screenplay, Best Editing, Best Actress</li> <li>India International Film Festival. June 2019</li> <li>Nuren Film Festival India. June 2019</li> <li>Winner: Best Feature</li> <li>Melbourne Indie Film Festival. March 2020</li> <li>World of Women Film Fair. Middle East March 2020</li> <li>New Dheli Film Festival. January 2020</li> <li>ECSA: Escapist Cinema of South Asia screenings May 2020 (Online festival)</li> <li>Africa Movie Academy Awards- Submitted (Outcome announced 30<sup>th</sup> August 2020)</li> <li>2020: Selected to screen at Eko International Film Festival (Nigeria) – postponed due to Covid-19</li> <li>2020: Selected to screen at World of Women Film Fair Middle East (Covid-19 setback)</li> </ul>
Family matters		<ul style="list-style-type: none"> <li>Zanzibar International Film Festival 2019</li> </ul>
Seeking Giants		<ul style="list-style-type: none"> <li>Durban International Film Festival 2019</li> </ul>
Joko Yahao		<ul style="list-style-type: none"> <li>Africa Rising International Film Festival 2018, Durban International Film Festival 2019</li> </ul>
Illegal trade of SA reptiles		<ul style="list-style-type: none"> <li>Durban International Film Festival 2019</li> </ul>
In the light of fire		<ul style="list-style-type: none"> <li>Durban International Film Festival 2019</li> </ul>
Keeping Up with the Kandarsamy – The wedding		<ul style="list-style-type: none"> <li>Festivals - River to River festival (Italy) December 2019</li> <li>Mustard seed festival (Philadelphia) October 2019</li> </ul>
Kings of Mulberry		<ul style="list-style-type: none"> <li>Kings of Mulberry Street won the Best Feature Film – Children's Film Festival in Seattle in the month of March.</li> <li>Official Selection: Roxbury International Film Festival (Boston, USA), June 2020</li> <li>Official Selection: BUFF Film Festival (Malmo, Sweden), March 2020.</li> <li>Official Selection: Young About International Film Festival (Bologna, Italy), March 2020.</li> <li>Official Selection: Children's Film Festival Seattle (Seattle, USA), February 2020.</li> <li>Official Selection: Pan African Film Festival – Academy Award Qualifying (Los Angeles, USA), February 2020.</li> <li>Official Selection: Young About International Film Festival (Bologna, Italy), March 2020.</li> <li>Official Selection: BUFF Film Festival (Malmo, Sweden), March 2020.</li> <li>Official Selection: Roxbury International Film Festival (Boston, USA), June 2020.</li> <li>Official Selection: Seoul Guro International Kids Film Festival (GUKIFF) (Seoul, South Korea), July 2020</li> <li>Official Selection: New Hope Film Festival (Pennsylvania, USA), July 2020.</li> <li>Official Selection: Romford Film Festival (Romford, London, UK), August 2020. (Opening night film)</li> <li>Official Selection: Southend on Sea Film Festival (Essex, UK), August 2020.</li> <li>Showmax Airings - June 2020</li> <li>Official Selection: 14th International Vilnius Film Festival for Children and Youth (Vilnius, Lithuania), December 2019.</li> </ul>

KZNFC project	Funded	Platform screened
		<ul style="list-style-type: none"> <li>• Official Selection: Smile International Film Festival For Children and Youth (New Delhi, India), December 2019.</li> <li>• Official Selection: Joburg Film Festival (Johannesburg, South Africa), November 2019</li> <li>• Official Selection: St. Louis International Film Festival (St. Louis, Missouri, USA), November 2019.</li> <li>• Official Selection: Africa in Motion (Edinburgh &amp; Glasgow, United Kingdom), October 2019.</li> <li>• Official Selection: Cinekid Film Festival (Amsterdam, Netherlands), October 2019.</li> <li>• Official Selection: Internationale Film Festival Schlingel (Chemnitz, Germany), October 2019.</li> <li>• <i>The film has been enjoying a successful festival run, with more selection notifications that were expected in the coming weeks, but due to the Corona virus pandemic film festival attendance has been postponed with no specific future dates, with some film festivals cancelled.</i></li> </ul>
Letter Reader		<ul style="list-style-type: none"> <li>• Won Best Short Film in the Rapid Lion Film festival</li> <li>• Best Short Film – SAFTA Winner 2020</li> <li>• Selected to screen at the Durban International Film festival.</li> <li>• Selected for African Diaspora Cinema Festival, in Italy.</li> <li>• Selected for Afrika Film Festival in Belgium.</li> </ul>
Buddha In Africa		<ul style="list-style-type: none"> <li>• Won the Best Documentary at the Universal Martial Arts Film Festival.</li> <li>• Buddha In Africa – Best Documentary Feature – SAFTA Winner 2020</li> <li>• Buddha in Africa – Best Achievement in Directing Documentary Feature – SAFTA Winner 2020</li> </ul>
IBALA (The Colour)		<ul style="list-style-type: none"> <li>• We are Africa Film Festival. June 2019</li> <li>• Red Bull Amaphiko Festival. June 2019</li> <li>• African Women Arts and Film Festival (AWAFFEST) April 2020</li> <li>• African Emerging Filmmakers Awards:</li> <li>• Winner of - Best Original African Production</li> </ul>
Gqom Nation 2		<ul style="list-style-type: none"> <li>• MTV Base 2019</li> </ul>
Uncovered		<ul style="list-style-type: none"> <li>• Netflix 2019/ 2020</li> </ul>
Kandasamys: The Wedding		<ul style="list-style-type: none"> <li>• Netflix September 2020</li> </ul>
3 Days to go		<ul style="list-style-type: none"> <li>• Amazon. Com August 2020</li> </ul>