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| **SOCIO-ECONOMIC IMPACT ASSESSMENT SYSTEM (SEIAS)**  **FINAL IMPACT ASSESSMENT TEMPLATE (PHASE 2)**  **October 2017** |

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| Overall comments by DPME:   * Costs to implement the policy are not explicit- there is a mention that costs are minimal which is in contradict to the problem and root causes identified- which already identified lack of resources, infrastructure and so on to ensure that ACH is well developed and equitably distributed * There is still use of short sentences in the report which will confuse readers especially who are outside the sector. Please colleagues let’s make sure that we are not writing to ourselves but to Cabinet and the public |

**The Final Impact Assessment: White Paper** **on Arts, Culture and Heritage**

The Final Impact Assessment provides a more detailed assessment of the ultimately policy / legislative / regulations / other proposal. In addition, it identifies **(a)** mechanisms for monitoring, evaluation and modification as required; and **(b)** a system for managing appeals that could emerge around the implementation process.

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| 1. **The problem Statement/ Theory of Change** |

* 1. **Give a summary of the proposal, identifying the problem to be addressed and the root (causes) of the problem that will be addressed by the new rule.**
     1. **Summary of the proposal (Summary Background of the proposed policy/bill/ regulations/ other)**

This Revised White Paper on Arts, Culture and Heritage (RWP) is a revision of the 1996 White Paper (WP). The revision was initiated by the Department of Arts and Culture with the aim of updating national policies for the sector in the light of the changes and new developments that have taken place of the last two decades and the new challenges that have emerged over this period.

Art, culture and heritage (ACH), is multifaceted domain consisting of the creative arts, heritage disciplines and cultural traditions in South Africa. It includes the performing arts of music, theatre and, dance; the visual arts of printing, printing, graphics, sculpture, craft, and design; creative writing, literature and publishing; audio-visual media; community arts; and events and technical skills development. It also includes heritage made up of museums, monuments, archives, historical, archaeological and palaeontological as well as Library and Information Services. All these disciplines are held together by the diverse cultures, languages, traditions, beliefs, knowledge systems and values of the people of South Africa.

The Revised White Paper thus stresses the potential of the sector to function as a resource and a catalyst for innovation and social and economic development. In evaluating the progress achieved and shortcomings which hamper current policy, it aligns the new policies to national and international policies with a direct bearing on the sector which came to be adopted after1996. These include, the National Development Plan 2030 (2011); the National Strategy for Social Cohesion and Nation Building (2011); the UNESCO Declaration of Cultural Diversity (2001); the Convention for the Safeguarding on Intangible Heritage (2003) the Charter for the African Cultural Renaissance, the Convention on the Protection and Promotion of the Diversity of Cultural Expression (2005) and the African Unions’ Agenda 2063 (2014).

The imperative is to ensure that the Revised White Paper on ACH provides an inclusive, integrated an effective macro policy framework designed for the accelerated development of the diverse artistic practices, cultures and heritage traditions of South Africa by enhancing the sectors potential to contribute, alongside and in partnership with other departments and across different levels of government, to the eradication of inequality, unemployment, poverty and exclusion in the society. This is to be achieved by maximising access to facilities, resources, education and training and opportunities for international exchange and cooperation by the sector. To ensure effectiveness it stresses adequate planning, effective implementation and rigorous monitoring and evaluation of intuitions, programmes of public institutions as well as civil society and individual projects receiving public funding.

* + 1. **Problem/s and root causes that the proposal is trying to address**

| **Identified Problem** | **Root Causes** |
| --- | --- |
| There is an unequal distribution of Art, Culture and Heritage infrastructure, facilities, resources, equipment and materials. Art, Culture and Heritage infrastructure, including theatres, galleries museums remain concentrated in former white urban areas. | * The 1996 White Paper proposal for the provision of art, culture and heritage infrastructure in historically marginalised communities has been unevenly implemented. * There has been a persistence of the concentration of Art, Culture and Heritage infrastructure, facilities and resources in former segregated and privileged urban areas. * Colonial and Apartheid public monuments, memorials and statues are still prevalent. |
| * There is inadequate equipment[[1]](#footnote-1) for art, culture and heritage activities and practices in former black urban, peri-urban and rural areas. * Materials for art, culture and heritage production in former black urban and rural communities is still lacking. * The support, development and promotion of South Africa’s diverse and languages and literatures is unequal. * There is insufficient art, culture and heritage formal education, training and skills development in basic education. * The redress in the commissioning of more representative public monuments, memorial and statues has been slow. * There is continued concentration in the public provision of basic and advanced equipment for art, culture and heritage to institutions in former white urban areas * Limited of subsidies for materials for art, culture and heritage production, especially in poorer communities, is hampering development. * Public and private resources are concentrated on English and Afrikaans languages, literatures and publishing. * There is a lack of appropriately qualified and experienced art, culture and heritage teachers that limits learner’s exposure to art in basic education. |
| * International audiences and markets for South African arts, culture and heritage are limited. * There is a lack of sustained and inclusive national and international audience and market development strategies for the sector. |
| * The National Art, Culture and Heritage Institutional Structures are fragmented. * The consolidation of related institutions is incomplete. * There is inadequate coordination and cooperation within the sector. * The national civic associations and a representative federal body are weak. |
| * The private-sector support for the Art, Culture and Heritage sector is relatively low. * The awareness about the role and benefit of art, culture and heritage, in the public and the private sectors, is low. * There is a lack of understanding of the Art, Culture and Heritage sector’s needs. * There are inadequate incentives to support the Art, Culture and Heritage sector. |
| * There is an inadequate recognition, mainstreaming and protection of African Art, Culture and Heritage in the private and public sectors. |
| * New and emerging Art, Culture and Heritage practitioners, including artists, find it difficult to enter the sector. * The affordability of access to facilities, especially to new practitioners, is prohibitive. * Many artists, especially new or emerging artists, are unaware of existing funding sources and support or how to access the support. * There are areas of market concentration that hinder new entrants into the market. |
| * The mechanisms and legislation to protect art, culture and heritage economic activity and intellectual property are unsuitable or outdated. * Media (and technology) used to produce creative content has changed and legislation has not kept up with changing times. |
| * The 1996 White Paper is not aligned to new national policies or international agreements. This includes the National Development Plan aimed at reducing unemployment, poverty and inequality. * The 1996 White Paper is not does not contribute to Social Cohesion and Nation Building, nor does it promote inclusion and belonging. * The 1996 White Paper needs to be aligned to Agenda 2063 that is a strategic framework for the socio-economic transformation of the continent over the next 50 years and contributed towards a unified and shared African identity, heritage and values. |
| * The monitoring and evaluation of institutions, policies and programmes is inadequate. The monitoring and evaluation of institutions relies exclusively on the relevant institutions’ annual audit reports. |

**1.2 Describe the intended outcomes of the proposal**

The RWP ultimately aims to develop a dynamic, vibrant and transformed South African arts, culture and heritage sector that leads to nation building, social cohesion and socioeconomic inclusion. The RWP does this by proposing policies, legislative changes, strategies and plans that will contribute to preserving, protecting and promote the artistic, cultural, heritage and linguistic diversity and legacy of South Africa; supporting good governance in the sector and within the ACH institutions and organisations; supporting cultural entrepreneurship; promoting access to information; and providing leadership to the ACH sector to achieve national goals. Through the rationalisation of the artistic, cultural, heritage institutional framework, the will be a better more efficient allocation of both public and private resources.

**1.3 Describe the groups that will benefit from the proposal, and the groups that will face the cost. These groups could be described by their role in the economy or in society. As a minimum, consider if there will be specific benefits or costs for the poorest households (earning R 7000 a month or less); for black people, youth or women; for small and emerging enterprise; and /or for rural development.**

| **Groups that will benefit** | **How will they benefit?** |
| --- | --- |
| * All South Africans | * There will be a greater appreciation of South Africa’s rich and diverse ACH sector locally and internationally. * The RWP will provide policy clarity, consistency and coherence across all spheres of government, organs of state, the private sector, ACH practitioners and all South Africans. * Improved social cohesion and nation building will be achieved through a better understanding of all South Africa’s cultures and heritage. * As South Africans appreciate the economic value of the arts and begin to exploit their talents, there will be economic growth, a decrease in unemployment and greater equality. |
| * ACH Practitioners | * The proposal will lead to Improved access to training that in turn will contribute to greater entrepreneurship that in turn leads to increased income. * Artists will enjoy increased market exposure. * The proposal will contribute to improved artists’ status and rights. * Artists will enjoy intrinsic satisfaction through greater acknowledgement. |
| * Future Generations | * The proposal will contribute to the protection of South Africa’s heritage (artistic, cultural, natural). * South Africa’s environmental heritage will be protected. * The proposal will contribute to the sustainability, especially of South Africa’s natural resources. * As South Africa’s ACH is embedded, it will ensure that future generations will enjoy income from ACH practices. |
| * Minority Art, Culture and Heritage communities | * The proposal will contribute to the preservation of marginalised heritage. * There will an increased and improved use and knowledge of South Africa’s languages. * A greater national awareness of language/cultural diversity will be achieved through the RWP. |
| * Women | * The RWP will contribute to the enriching of the depth of talent, especially among women. This in turn will lead to greater gender parity and nation building. There will be an enriching and expanding of the depth of artistic development. * The proposals will contribute to the stimulation of cultural entrepreneurship through the investment in development of girls and women. |
| * Youth | * The proposals will contribute to the socio-economic development of the country and deepening, expanding and enriching of the artistic development. * The youth in particular will have increased access to knowledge, education and training. * The RWP makes it easier for youth to access financial resources to develop themselves and indirectly the sector. This will in turn lead to the retention and growth of South Africa’s cultural wealth. |
| * Rural communities | * Rural communities will enjoy access to more ACH resources closer to where they live. This includes improved maintenance of facilities. * The improved rural ACH facilities will contribute to sustainable socio-economic development. |
| * Educators (in formal institutions and in informal set-ups) | * Educators will have improved access to resources and to skilled practitioners. * The proposal will ensure the effective and efficient transmission of ACH knowledge. * The RWP also stresses the importance of the retention, growth and development of ACH. * Educators will contribute to a better understanding of African knowledge systems once it has been embedded in the educational system. |
| * ACH Institutions | * ACH Institutions should become more efficient and effective implementation of objectives. * The proposals support improved collaboration and coordination between ACH Institutions. * The RWP ensure that the ACH Institutions focus on their ACH mandate and outcomes, rather than administration. * The RWP provides greater clarity of government policy. * The proposals will contribute to the improved cultural governance of ACH Institutions. |
| * Businesses | * The RWP provides greater clarity to the private sector and particularly business of who and where to support ACH in South Africa. * The RWP proposes possible tax breaks to businesses that support ACH development. * Businesses will be in a better position to use ACH to promote their businesses. * The proposals advocate that businesses become a role player in preserving the ACH. * The RWP will contribute to society in general and the private sector in particular in acknowledging the ACH sector. * The proposals will lead to an increased GDP through an increased income, turnover, and exports of ACH businesses. * Cultural enterprises will be supported and will have access to innovative financing. |
| * People with disability | * The RWP provides resources for creation, production and distribution of cultural content of people with disability. * The proposals include providing people with disability access to infrastructure, facilities. * This will contribute to new or larger markets for their products. |
| * Government | * The RWP provides policy alignment and clarity. This will lead to a more effective and efficient allocation of resources. * The implementation of the proposals will contribute to GDP growth and to increased tax. * As a result of the proposals, South Africa’s exports should increase. * The RWP will promote more effective and efficient ACH institutions. |

| **Groups that will bear the cost or lose** | **How will they incur the costs or lose?** |
| --- | --- |
| * Government: DAC | * DAC will incur minimal costs regarding the proposed name change of the Department. * Short-term costs implementing the new proposed institutional framework, but long-term benefits derived from a more efficient and effective institutional framework. |
| * DBE | * The focus on ACH will require a reallocation of resources away from other education areas. |
| * The DTI | * The increased focus on CCIs will require a reallocation of resources away from other sectors. |
| * SARS | * There will be a loss of tax revenue[[2]](#footnote-2) to the fiscus. |
| * Provincial and local government | * There will be an increase financial burden on sub-national government, especially regarding the maintenance of community arts, culture and heritage infrastructure. * Besides the financial obligations, there are other obligations on local government in regard to developing creative clusters and also for supporting the ACH sector. |
| * Heritage institutions | * There are short-term costs[[3]](#footnote-3) of integrating existing heritage institutions into new institutions.[[4]](#footnote-4) * The rationalisation of the sector could lead to human resource problems. * New ACH institutions will have to find resources for branding (rebranding) and awareness of their programmes. |
| * Donor funding | * The donor community will not face any additional costs. In fact, a more efficient, streamlined and effective ACH sector with fewer competing institutions will lead to the more efficient use of funds and also simplify fundraising. |
| * Private-sector funding | * A more efficient, streamlined and effective ACH sector with fewer competing institutions will lead to the more efficient use of funds and also simplify corporate social responsibility spending. * The private sector may change it corporate social responsibility away from other sector to the ACH sector, especially if tax proposals are adopted. * The private sector will face greater obligations for greater innovativeness in developing financial instruments suitable to the ACH sector. |

**1.4 Describe the behaviour that must be changed, main mechanisms to achieve the necessary changes. These mechanisms may include modifications in decision making process systems; changes in procedures; educational work; sanctions; and/or incentives. Also identify groups inside or outside government whose behaviour will have to change to implement the proposal. Add more rows if required.**

| **Groups inside Government** | **Behaviour that must be changed (Current Behaviour)** | **Main mechanism to achieve the necessary changes** |
| --- | --- | --- |
| * Political principles at national, provincial and local government levels. | * Focus and emphasis on the roles and benefits of Art Culture and Heritage for individuals, communities and society. | * Political principles must be encouraged by DAC to give ACH grater visibility at the special occasions such as budget speeches, Heritage Month and other national days. * DAC must advocate for the inclusion of arts, culture, heritage and the cultural and creative industries in the National Development Plan. * Promote cultural diversity, inclusion and multilingualism. |
| * Parliament | * Focus and emphasis on ACH. | * Parliament must approve a State of ACH Report annually. * Parliament must provide oversight to ensure implementation of the RWP and all its instruments. * Parliament must hold the executive to account for cross-departmental coordination and inter-government collaboration. |
| * DAC & its entities | * DAC’s entities[[5]](#footnote-5) should be more accountable to achieving and focusing on national priorities. * Lack of discerning/conscious purchase of art (that which must lead to development of the art). * Conscious buyers/consumers of the arts with a view to promoting diversity and local content | * DAC must ensure the facilitation and coordination of ACH institutions and activities at all three spheres of government. * DAC must improve the monitoring and evaluation of ACH entities and promote good cultural governance. * DAC must ensure that funding duplications in the system are removed. |
| * Other government departments | * Silo mentality. * Lack of understanding of the intrinsic and extrinsic value of ACH. | * Better coordination and interdepartmental interactions. * Improved understanding of ACH. |
| * Local and provincial spheres of government | * Lack of understanding of the intrinsic and extrinsic value of local ACH. * This leads to priorities for spending and maintaining ACH infrastructure, products and services. | * Sub-national government must reallocate resources towards ACH infrastructure, activities and events. * Sub-national government must ensure that there are more focused partnerships ensuring better coordination and policy development. * Local government to ensure ACH sector features in the IDPs. |
| * Business | * Profit motive – triple bottom line (profit, environment and social). * Focus from short-term to long-term thinking. * Cultural awareness e.g. focus from CSI to change so that the business takes ACH as a business imperative. * Conscious buyers/consumers of the arts with a view to promoting diversity and local content | * Improved and consolidated M&E framework. * Better institutional arrangements. * Tax incentives and grants. * General awareness of opportunities to support ACH. * ACH to become a business imperative. * Contribute towards economic development, which in turn benefits their business. * Move away from Eurocentric ACH products, services and infrastructure Preference of South African artistic items. |
| * Organise Labour | * Become entrepreneurial. * Prouder of their work. * Move away from entitlement. * Dearth of skills in general. * Lack of focus on outcomes and beneficiaries. | * Focus on under-resourced practitioners and communities. |
| * Treasury | * Need to see ACH as an economic sector worthy of support | * Provide financial resources to the sector through funding agencies. |
| * The DTI | * Need to see ACH (other than the film industry) as an economic sector worthy of support. | * Provide support to the sector. |
| * SARS, ITAC & Economic Development | * Behave as if they are unaware of the industry problems. | * Government must investigate and implement possible increase customs, duties, tariffs on competing ACH products and services. * Government must investigate and implement possible the exemption from paying income tax, and from paying tax on materials and equipment used in production. |
| * DIRCO | * Lack of understanding of the benefits of ACH, where to get information and how to use it effectively. * Under representation of African art. * Poor utilisation of foreign embassies to showcase South African ACH. | * DIRCO must be more active on Cultural Diplomacy and awareness-raising. * DIRCO must ensure more representative art in South Africa’s foreign missions. |
| * Dept. of Basic Education and the Department of Higher Education and Training | * Recognition of ACH as an important enabler of key skill acquisition of learners. * Skills for teachers. * Facilities. | * DBE (with DAC) must expand the Artists-in-schools programme. * DBE must ensure the comprehensive implementation of ACH into the basic education curriculum. * The Department of Higher Education and Training must ensure the provision of continuing education in the arts. * Tertiary institutions to provide arts education and ACH professional service education and training for the sector. |
| * Minority Groups | * Unorganised | * Assist groups financially and other ways to make facilities accessible. * Awareness campaigns. |
| * People with disabilities in the sector | * Unorganised | * Assist groups financially and other ways to make facilities accessible. * Awareness Campaigns. |
| * ACH Institutions | * Fragmented institutional architecture | * DAC must ensure that there is an aligned and coordinated support package(s) to ACH sectors and ACH practitioners. |
| * No necessarily aligned with government policy, incl. the NDP | * Grants based on specific measurable outcomes | * DAC (and other relevant departments) must ensure more awareness of ACH institutions, programmes, projects, etc through marketing and promotion. * DAC (and other relevant departments) must ensure more that there is more spending on programmes, as opposed to spending on administration. |
| * Private sector | * Limited ACH support | * DAC (and other relevant departments) must ensure the provision of incentives. * DAC (and other relevant departments) must ensure that there are meetings with the minister at least once per annum to discuss progress on the implementation of the RWP. * DAC must establish and promote forums and associations. |

* 1. **Report on consultations on the proposal with the affected government agencies, business and other groupings. What do they see as the main benefits, costs and risks? Do they support or oppose the proposal? What amendments do they propose? And have these amendments been incorporated in your proposal?**

On 4 November 2015, the Minister of Arts and Culture appointed a reference panel to revise the 1996 White Paper. This was followed by the National Policy Consultative Indaba held in, Johannesburg in 2015. The policy development process was based on the participatory method, which involved public consultations and the formal solicitation of written submissions from stakeholders, public institutions and organisations in the sector. During May and June 2016, 22 sector-based public consultations were conducted in urban and rural areas in all nine provinces. Submissions were invited from the public and the sector during the entire period of the review. A second national Indaba was held in 2016 in Johannesburg to review the work of the panel. Further drafts of the RWP were released as they were made available after amendments were made based on the submissions.

By adhering to the participatory and consultative principles on which South Africa's democracy and public policy development practices are founded, a representative cross-section of practitioners in all the arts, culture and heritage disciplines contributed directly to the policy review process. Written submissions were also made by the arts, culture and heritage entities of the DAC, institutions and funding agencies as well as civil society organisations. The inputs informed the policy review process.

Table of consultations:

| **Affected Stakeholders** | **What do they see as main benefits, costs and risks?** | **Do they support or oppose the proposal?** | **What amendments do they propose?** | **Have these amendments been incorporated in your proposal?** |
| --- | --- | --- | --- | --- |
| * Government Departments: * DAC and Agencies | **Benefits**:   * Achieving a more streamlined ACH system, including entities that are more efficient and effective * Renaming of the Department   **Costs**:   * Minimal cost increases are expected.   **Risks**:   * Failure ensure full and effective implement policy changes. | * Supported. | * The inclusion of a structured and prioritised system of inter-governmental and inter-department co-operation. | * Yes |
| * Provincial and Local government. | **Benefits**:   * Better facilities.   **Costs**:   * Reallocation of resources   **Risks**:   * Failure to apply available funds to maintain effectively | * Recommendations are aligned to the Constitution. | * Public Hearings in all provincial selected urban and rural locations. | * Revised White Paper Presentation to the Parliamentary Portfolio Committee and Select Committee of the COGTA |
| * Department of Basic Education and Department of Higher Education and Training | **Benefits**:   * Support from DAC for ACH education * Increased interaction and consultation between the departments   **Costs**:   * None for the Department of Basic Education   **Risks**:   * None for the Department of Basic Education | * Reaffirmation of the 1996 policy with an emphasis on appropriate training for educators and the allocation of sufficient time allocations. * Incorporation of African Arts, Culture and Heritage (AACH) at all levels of education. | * Recommended greater coordination across government departments to ensure that 1996 recommendations are implemented. | * Interdepartmental structure in proposal to achieve greater coordination. |
| * DST | **Benefits**:   * Transformation * Inclusion   **Costs:**   * Research and Development   **Risks**:   * Exclusion | * Opposed the African Knowledge System | * Supported   after change from AKS to AACH | * General African Arts, Culture and Heritage policy incorporated into RWP so that it complements the Protection, Promotion, Development and Management of Indigenous Knowledge Systems Bill |
| * ACH practitioners including artists, musicians, choirs, singers, film producers, actors, writers etc. | **Benefits**:   * Improved facilities * Improved status   **Costs**:   * Costs are borne by DAC and its entities   **Risks**:   * unrealised expectations | * Generally supported. | * Several amendments were made and incorporated and consulted with other stakeholders. | * A number of amendments were made and incorporated and consulted with other stakeholders. |
| * Business: * Large corporations and other business entities including Business Arts South Africa (BASA) | **Benefits**:   * Public-Private Partnerships to support the arts   **Costs**:   * Costs would form part of the organisation's corporate social responsibilities   **Risks**:   * Lack of support from the government in general especially from Treasury | * Measures were generally supported. | * Tax exemptions for contributions to the arts and artists. | * Amendments have generally been incorporated. |
| * Art, Culture and Heritage Representative Organisations: SAMA. VANSA, SARA, SACIA, LIASA, ANFASA & CCIFSA | **Benefits:**   * Establishment of bodies to represent ACH practitioners   **Costs:**   * Organisational establishment and general running costs   **Risks:**   * Lack of support from The Department of Labour regarding the implementation of benefits for ACH practitioners | * They mainly support the proposal. | * Several amendments were made and incorporated and consulted with other stakeholders. | * Amendments have been included. |

* 1. **Describe possible disputes arising out of the implementation of the proposal, and system for settling and appealing them. How onerous will it likely be for members of the public to lodge a complaint and how burdensome and expeditious is the proposed dispute-settlement?**

The RWP is very broad and includes many stakeholders. Possible disputes may arise out of jurisdictional issues. Schedule 4A and B and Schedule 5A and B of the Constitution list the functional areas of powers and functions of provincial and local government respectively. Schedule 4A lists the powers and functions of National and Provincial Government which include “Cultural matters” and “Language policy and regulation” as concurrent national and provincial legislative competencies. Schedule 5A lists archives, public and community libraries, museums, cultural and recreation facilities, other than national, as a provincial competence. Part B lists local amenities, markets, municipal parks and recreation as local competencies.

The lack of arts, culture and heritage intergovernmental policy coherence across national, provincial and local spheres of governance is to be addressed by setting up an interdepartmental structure to enhance structured policy enforcement; and to design models for coordination between national and international agencies and different spheres of government.

It is thus clear that all three spheres of government are empowered by the Constitution to cooperate in the provision of national, provincial and local arts, cultural and heritage facilities, programmes and services to society. This RWP lays out the responsibilities and obligations for each sphere of government. This will minimise possible disputes.

The RWP proposes how priorities should be determined and categorised and who should be responsible for each level. Protocols and joint fora are still to be determined.

Further consultations with the arts, culture and heritage sector, the DAC and the Parliamentary Portfolio Committee for Arts and Culture, existing legislation affected by the new policy proposals will be identified for amendment and revision. Timeframes for this will be developed once the policy is formally adopted.

The South African Cultural Observatory (SACO) that was established by DAC, holds regular workshops across South Africa. SACO is currently housed by Nelson Mandela University. These workshops provide a forum where issues can be highlighted. These issues can then be solved by existing fora e.g. MinMEC or those proposed in the RWP.

Concerns may arise from the consolidation of national Art, Culture and Heritage institutions and councils proposed in the Revised White Paper. Since the proposed consolidations have been widely consulted and do not entail any retrenchments disputes are not likely to unresolvable through discussion, inductions and change management.

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| 1. **Impact Assessment** |

**2.1 Describe the costs and benefits of implementing the proposal to the groups identified in point 1.5 above, using the following chart. Add more rows if required**

| **Group** | **Implementation Costs** | **Costs of changing behaviour** | **Costs/Benefits from achieving desired outcome** | **Comments** |
| --- | --- | --- | --- | --- |
| * Government Departments, Organs of State and Agencies in general | * The will be administrative costs regarding the new ACH institutional framework. * There is a need for additional coordination meetings that present an opportunity cost. | * Change will result in uncertainty of the staff (especially of the ACH-institutions. If managed correctly, the costs of the new institutional framework on the staff, will be nil. | * The benefits are generally because of better-structured organisations leading to more effective and efficient ACH policy implementation. | * Policy recommendations arising out of the revised White Paper will be subjected to further policy development and more detailed costs will be provided during this process. |
| * DAC | * There will not be any additional costs incurred by DAC. There will be a reallocation in the funding of projects, programmes and institutions according to the priorities identified in the RWP. * The will be short-term (once off) costs relating to the name change of DAC. These costs will be managed within DAC. * DAC will be required to prepare information for other government departments, Parliament, and other spheres of government. This research could be included on the South African Cultural Observatory. There is therefore an opportunity cost as the research agenda is reprioritised. * The cost of providing ACH infrastructure, products, and services to areas that have not been catered for in the past. This cost will however be shared with subnational government especially municipalities. DAC will have to work with Treasury, SALGA, and COGTA to ensure that there is sufficient budget to implement larger projects. Again, the focus is on reprioritising spending to areas that have been deprived of this in the past. | * DAC officials are you mainly in favour of the recommendations included in the RWP. There are therefore no costs anticipated in changing behaviour DAC of officials. * Evidence-based policy development is essential. DAC will have to make a case for each individual project programme or infrastructure that the RWP has proposed (albeit in broad terms). This will require research on the socio-economic benefits and other benefits related to each specific project. The South African cultural Observatory (SACO) has already been established and funded by DAC and the additional costs of providing the necessary information would entail reprioritising SACO’s research agenda. | * There will be a more coordinated implementation of policies. * Implementation will be directed toward the implementation of government policies and the attainment of its goals. * Improved M&E will improve efficiencies and effectiveness of entities | * There are minimal costs in changing the behaviour of government and its agencies. The DAC budget will absorb the costs. * The direct implementation costs are minimal, and the costs will be covered by the existing DAC budget. |
| * The DTI | * There is an opportunity cost rather than an actual additional cost. Support measures are already in place and are allocated to sectors with high multipliers (especially employment multipliers. Since the ACH sector have these characteristics, support to these are aligned to both DAC and the DTI. | * The DTI currently analyse sectors and undertake research in the sector. Support to the ACH sector will therefore come at the expense of other sectors. | * The ACH sectors are labour intensive and are generally seen as an appropriate developmental path for a country such as South Africa. | * The spill over and learning by doing effects will generally benefit the SA economy through improved creativity and innovation. Trade in cultural products will not only contribute to SA’s trade balance, but also to a greater awareness globally of the country’s rich culture and heritage. |
| * The Department of Small Business Development | * There is an opportunity cost rather than an actual additional cost. The Department has several instruments that are already used by small ACH enterprises. | * The Department’s mandate is to support the radical transformation of the economy through the promotion and development of sustainable and competitive entrepreneurs, small businesses and co-operatives, that contribute to job creation and economic growth. | * Many ACH enterprises are SMMEs. Support from the Department of Small Business Development will contribute to these enterprises growing, contributing to economic growth, employment etc. In addition, the ACH sector will contribute to creativity and innovation throughout the economy. |  |
| * Department of [International Relations and Cooperation](http://www.dirco.gov.za/) | * South Africa’s foreign missions already promote SA’s ACH products and services. There should not be substantial additional cost implications. Staff at SA’s foreign missions will perhaps have to undergo training and DAC will have to provide material and further input | * The RWP is aligned to DIRCO’s mission to formulate, coordinate, implement and manage South Africa’s foreign policy and international relations programmes, promote South Africa’s national interest and values and the African Renaissance (and create a better world for all). * DAC would have to make the research available, as discussed above, to DIRCO. The research is a sunk cost and the marginal cost of providing the research to DIRCO is minimal. | * DIRCO currently undertake trade and investment seminars as well as tourism promotion events. These events can be used to promote SA’s ACH products and services without additional costs. |  |
| * Department of Basic Education | * Adaptation of current compulsory curriculum and encouragement to schools to provide more ACH education * Additional resources and especially teachers will be required. | * Basic Education should adjust their curriculum to include more ACH. * There may be resistance from certain sections within DBE. DAC should make the research available to all educators and DBE officials showing the importance of ACH in education and the development of learners. The research is a sunk cost and the marginal cost of providing the research to DBE is minimal. | * A greater emphasis on ACH education will lead to more creativity. This will in turn lead to greater innovation among students. * It will also lead to more learners considering ACH as a career option. There will be more ACH practitioners. | * Details will be in the implementation plan. |
| * Department of Higher Education and Training | * Provide funding and other resources to higher education institutions offering programmes in cultural policy and arts management. | * Cost of auditing facilities and providing staff and Chairs at universities. | * Better qualified ACH practitioners and teachers will contribute to a virtuous circle. |  |
| * Department of Labour and MAPPP-SETA, CATHSSETA and MICT-SETA | * Cost of consolidating a uniform service and funding offering for skills development. | * Cost of setting up an institutional framework and a monitoring and evaluation framework. Can be covered using existing budget. * There may be resistance, and again research showing the importance of ACH to the economy in general and the labour market in particular will have to be provided by DAC. The research is a sunk cost and the marginal cost of providing the research to Department of Labour and various SETAs is minimal. | * More efficient and effective skills development regime in South Africa. |  |
| * Department of Science and Technology | * The main cost is the coordination and alignment of the African Art, Culture and Heritage in IKS. DST and DAC already meet regularly and the cost of including these matters on the agenda is practically nil. | * Enhance interdisciplinary and intergovernmental cooperation for greater impact without additional costs. * Integration of African Art, Culture and Heritage in IKS funding provided for in the IKS Office and budget of DST. | * Address the marginalisation of African Art, Culture and Heritage in research and knowledge production |  |
| * Department of Tourism | * DAC will have to work with the Department of Tourism to ensure that ACH infrastructure and activities are included in their agenda / programme. It is important that any new tourist infrastructure (especially that is ACH -related) is located in rural areas or other areas where there is a dearth of ACH infrastructure. This is an ongoing cost and is very expensive. However, since government is already committed to promoting tourism, it is merely a question of reprioritising. Therefore, the additional costs required are nil. | * Diversify the domestic and international tourist experience to boost visitors and audiences at minimal costs by using existing platforms. * Including Art, Culture and Heritage tourism in local and international marketing with existing resources. | * Enhance visitors and revenues for Art, Culture and Heritage institutions and programmes and improve sustainability. |  |
| * Department of Correctional Services | * The Department of Correctional Services already has programs. The cost of adapting these programs to include ACH, again is minimal. | * Programmes already exist in some correctional facilities and can be expanded by arts in correctional service programmes in recreation and skills development budgets. * Harnessing of Arts, Culture and Heritage for skills development, occupational programmes and social integration. | * Ensure the diverse needs, aspirations talents of inmates are catered to lower rates of relapse in to crime thus reducing correctional costs of high levels of crime and incarcerations. |  |
| * Department of Health | * The cost of developing and implementing new material that includes a ACH component. | * This is an established recuperation and therapeutic approaches but not widely available in all public health facilities to integrated in the National Health Plan. * Enhance physio-therapy and health rehabilitation programmes through performance and visual art forms by providing programmes for volunteer artists in health at a minimal cost. * There may be resistance, and again research showing the importance of ACH to health and research will have to be provided by DAC. The research is a sunk cost and the marginal cost of providing the research to Department and other health stakeholders is minimal. | * Improvement in the quality of health care and reduction of the national health bill. |  |
| * Department of Communications and Public Broadcasting | * Support for Local Content in public broadcasting budget allocations. | * Promotion of South African music by growing larger domestic markets local music. | * Grow larger local markets for South African music and improve income streams of artist. |  |
| * Department of Human Settlements. | * Include the cost of Art, Culture and Heritage infrastructure in plans and budgets for new settlement ad upgrading of existing settlements without facilities. | * Include cost of art, culture, heritage and recreational facilities in new and existing settlements earmarked for upgrading. | * Enhance, quality of life, social cohesion and cross-cultural interaction. |  |
| * Provincial and local government | * All spheres government should provide (joint) funding and develop long-term strategic plans for operational sustainability for the development/construction of new theatres. These theatres will serve as community art centres in the municipalities. The RWP assigns the responsibilities of refurbishment, maintenance, and operational management of the theatres (or community art centres) to sub-national spheres of government. The RWP proposes an audit of facilities after which the implementation costs can be estimated. | * There are eight metropolitan municipalities, 44 district municipalities and 205 local municipalities. Many of these municipalities are cash strapped and will require assistance through DORA to implement this. | * Facilities in municipalities will be used more efficiently and effectively. |  |
| * Business | * Partner with government in supporting ACH infrastructure and other development priorities. * Businesses will have to re-prioritise their social responsibility spending. The net increase of social responsibility spending to businesses would therefore be nil. | * Tax deductions that have been proposed will result in the fiscus collecting less money. It will complicate tax administration resulting in additional administrative costs. It is difficult to estimate this, but assuming that the private sector will equal the grants made by Lotto, the cost to the fiscus would be in the order of R500 000 per year. | * Improved incentives for business to provide funding for the arts. * A better-coordinated system that can support the ACH. |  |
| * Civil society | * None | * None | * A better-coordinated system that can support the ACH. |  |
| * Public | * None | * None | * Better access to a variety of ACH products and services. |  |



**2.2 Describe the changes required in budgets and staffing in government in order to implement the proposal. Identify where additional resources would be required for implementation. It is assumed that existing staff are fully employed and cannot simply absorb extra work without relinquishing other tasks.**

Initially, they would be no budgetary or human resource implications for the implementation of the RWP. It essentially proposes several policies that need to be developed to support the ACH sector. Once the new policies have been developed budgetary costs and savings and staffing requirements to implement the policies will be identified and explained in greater detail.

Existing staff that have been used for the development of this RWP and specialist staff from the various branches within the Department of Arts and Culture will be used for the development of the specific policy recommendations that are to follow from the adoption of this RWP. Therefore, there will be no extra burdens on the current staff and they will not have to relinquish any other tasks to develop the necessary policies.

**2.3 Describe how the proposal minimises implementation and compliance costs.**

Various broad institutional proposals have been made in this RWP that will lead to rationalisation and more effective and efficient implementation of support of the ACH sector. No new government entities are being proposed and boards and councils of the existing entities are being merged to ensure economies of scale can be achieved.

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| 1. **Managing Risk** |

**3.1 Describe the main risks to the achievement of the desired ends of the policy/bill/regulations/other and/ or to the national priorities (aims) that could arise from adoption of the proposal. Also describe the measures taken to manage the identified risks. Add more rows if necessary.**

| **Identified Risk** | **Mitigation Measures** |
| --- | --- |
| * Resistance by the various departments on the development of policies to give effect to the recommendations in the RWP. | * Improving interdepartmental consultation and a greater awareness of the societal benefits of ACH. * Ensuring that the new policies are fully aligned and integrated with The National Development Plan and other relevant policies. |
| * Unrealised expectations of beneficiaries. | * The Department of Arts and Culture will have to ensure that there is continued consultation and information sharing with the beneficiaries. |
| * Insufficient resources to implement policies. | * The Department of Arts and Culture will have to work closely with National Treasury, provinces, and local authorities to identify potential shortfalls of resources and also to identify potential sources of funding to close the funding gap that may arise. * During the development of policies that arise from the RWP, DAC will have to ensure that interventions are costed and prioritised. The focus would be on policies that are realistic and can make a real difference to the community. |

**3.2 Describe the mechanisms included in your proposal for monitoring implementation, evaluating the outcomes and modifying the implementation process if required. Estimate the minimum amount of time it would take from the start of the implementation process to identify a major problem and remedy it.**

The mechanisms for monitoring the implementation and evaluating the outcomes of the RWP and further policy documents are aligned to the current government-wide monitoring and evaluation systems. There would, therefore, be no additional requirements since many of these measures are already in place. Therefore, the monitoring of implementation will commence immediately after the RWP has been formally adopted.

An entire chapter (chapter 11) describes the policy implementation, monitoring and evaluation process to be adopted in detail.

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| 1. **Summary** |

**4.1 Summarise the impact of the proposal on the main national priorities**

| **National Priority** | **Impact** |
| --- | --- |
| 1. Social Cohesion. | * South Africans will feel more connected to their own and other cultures. * The public will get a feel and a greater sense of appreciation for the rich diversity of ACH products and services in South Africa. * There will be greater equity in the distribution of ACH infrastructure and greater access by all people of ACH products and services. |
| 1. Security (Safety, Financial, Food, Energy and etc.) | * There will be better-coordinated funding towards maintaining ACH infrastructure. This will ensure that facilities are safer and in turn, lead to greater use of the facilities. The greater use of facilities will ensure their financial sustainability. |
| 1. Economic Growth | * With more attention being paid to the development of ACH practitioners, there will be more business opportunities created by them. This will lead to new markets been developed and the growth of exports as well. The contribution of the ACH to the GDP can increase somewhat. |
| 1. Economic Inclusion (Job Creation and Equality) | * With a greater geographic spread of ACH infrastructure, more access to facilities and materials, and better access to education; more job opportunities will be created for people living in rural areas, woman and the youth. This will lead to a more balanced and inclusive growth in South Africa. |
| 1. Environmental Sustainability | * More focused allocation of resources towards ACH infrastructure will contribute to a better knowledge, understanding and appreciation of our natural assets and therefore will lead to the preservation of our natural resources (especially those resources that reside under the auspices of the Department of Arts and Culture). * Address the environmental impact of cultural production and artistic practice (such as energy consumption, emissions, material sourcing and toxicity and electronic waste) and the efficient use and equitable distribution of natural resources for long-term, intergenerational socioeconomic wellbeing. |

**4.2 Identify the social and economic groups that would benefit most and that would bear the most cost. Add more rows if required.**

|  |  |
| --- | --- |
| **Main Beneficiaries** | **Main Cost bearers** |
| South African citizens | Government |
| ACH sector | Public and Private funders |

**4.3 In conclusion, summarise what should be done to reduce the costs, maximise the benefits, and mitigate the risks associated with the policy/bill/regulations/other. Note supplementary measures (such as educational campaigns or provision of financing) as well as amendments to the draft itself, if appropriate. Add more lines if required.**

* + 1. Apply a phased approach to the implementation of the policy. This will spread the implementation costs over a number of financial years.

b) Obtain the political buy-in to ensure continued funding from government.

c) Partnerships with the private sector will ensure the availability of private funders and donors.

d) Innovation and creativity in the promotion and awareness creation surrounding all domains of arts culture and heritage and its importance.

e) Accommodate and stress the diversity of voices to ensure that social cohesion takes place.

g) Request funding from donors

**4.4** **Please identify areas where additional research would improve understanding of the costs, benefits and/ or risks of the policy/bill/regulations/other**

This RWP is a broad policy statement of the entire sector which will guide the implantation strategies to be developed for each of the subsectors based key principles and values of the policies to ensure alignment between the various ACH sectors and coordination across government and the ACH institutions and related key policy imperatives such and National Development Plan and the Social Cohesion and Nation Building Strategy by promoting both the intrinsic and extrinsic values of ACH.

Once adopted, the DAC will need to develop detailed subsector strategies, modify legislation and effect new regulations based on the RWP for the various ACH domains. During the development of the various strategies, further risks associated with implementation will be identified and mitigation measures proposed.

**For the purpose of building SEIAS body of knowledge please complete the following:**

|  |  |
| --- | --- |
| **Name of Official/s** | **Matildah Mogotsi** |
| **Designation** | **DDG Corporate Service** |
| **Unit** | **Corporate Service** |
| **Contact Details** | **+27 82 376 8528** |
| **Email address** | [**matildahm@dac.gov.za**](mailto:matildahm@dac.gov.za) **/ LordwickR@dac.gov.za** |

1. Including infrastructure, facilities, and other resources. [↑](#footnote-ref-1)
2. Using StatsSA’s Input-Output table and expanding it to identify CCIs, it is estimated that the CCIs turnover is just over R100 billion. The VAT on this is therefore just over R15billion. This does not include the loss of income tax that may also arise out of other recommendations. [↑](#footnote-ref-2)
3. These costs would include legal fees, HR costs (including reskilling current staff) etc. [↑](#footnote-ref-3)
4. Operating costs of ACH funding institutions are very high – ranging from 22% of their budget (National Film and Video Foundation) to 78% (National Heritage Council). Source Presentation (The South African Funding Landscape: Problems, Prospects and Propositions) by Joseph Gaylard of Pro Helvetia Johannesburg. [↑](#footnote-ref-4)
5. **Statutory Bodies**: Business and Arts South Africa (BASA); National Arts Council of South Africa (NAC); National Film & Video Foundation; National Heritage Council; and the South African Heritage Resources Agency (SAHRA)

   **Performing Arts Councils**: ArtsCape; The Market Theatre; Performing Arts Centre of the Free State (PACOFS); Playhouse Company; The South African State Theatre; and the Windybrow Theatre

   **Constitutional Bodies**: Pan South African Language Board

   **Heritage Institutions**: Die Afrikaanse Taalmuseum en–monument (ATM); Ditsong Museums of South Africa; Freedom Park; Iziko Museums of South Africa; South African Library for the Blind; Luthuli Museum; Natal Museum; National Museum; Nelson Mandela Museum; Robben Island Museum; National English Literary Museum; Msunduzi Museum; War Museum of the Boer Republics; William Humphreys Art Gallery; and the National Library of South Africa. [↑](#footnote-ref-5)