

THE PRESIDENCY

REPUBLIC OF SOUTH AFRICA DEPARTMENT OF PLANNING, MONITORING AND EVALUATION

SOCIO-ECONOMIC IMPACT ASSESSMENT SYSTEM (SEIAS) FINAL IMPACT ASSESSMENT TEMPLATE (PHASE 2)

PERFORMERS PROTECTION AMENDMENT BILL

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1 BACKGROUND

1.1 Introduction

The Socio-Economic Impact Assessment System (SEIAS) was adopted by Cabinet in February 2015 and introduced for implementation by government departments in July 2015. The SEIAS aims to improve policy and legislative processes so as to reduce the cost and optimise the benefits of regulation. The SEIAS also ensures that policy and legislation are aligned to government's national priorities such as inclusive economic growth, employment creation, social cohesion, etc. The risks associated with the implementation of the policy or legislative proposals are also a key feature in the SEIAS process.

The SEIAS is undertaken in two phases, wherein phase 1 is referred to as the initial impact assessment and is about problem identification, analysis of the possible options for addressing the problem and adoption of the most preferred option or intervention. Phase 2 is considered to be the final impact assessment and it provides details of the proposed intervention in terms of impact and risks likely to result from implementation, dispute resolution mechanisms, consultation and monitoring and evaluation.

This report is the final impact assessment in terms of the SEIAS process, undertaken on the Performers Protection legislative review process.

2 PROBLEM STATEMENT / THEORY OF CHANGE

The Performers Protection legislation aims to reward and incentivise performers in terms of their creations and works. The current legislative review aims to amend the Performers' Protection Act 11 of 1967. It addresses issues relating to the payment of royalties to performers, safeguarding the rights of contracting parties, promotes performers moral and economic rights for performances in audio-visual fixations.

Local performers and composers have voiced their dissatisfaction with the current legislation in that it has not offered them adequate protection. The legislative review seeks to ensure that artists do not die as paupers due to ineffective protection.

The Performers Protection Bill seeks to address the challenges facing the creative industry from non-payment of royalties; lack of formalisation of the creative industry which exposes it to abuse.

Problems	Root Causes				
Inadequate protection of the moral	No legislative provision to grant performers				
and economic rights of performers	economic and moral rights for live				
	performances or performances fixed in audio-				
	visual fixations.				
	No legislative provision to award performers				
	the exclusive rights of authorising the				
	utilisation of their protected performances.				
	No legislative provision for how persons				
	intending to utilise protected performances				
	should inform and pay the performer.				
	No provision for prohibited conduct in respect				
	of copyright management information.				
Inadequate protection of performers	Lack of regulation of how royalties should be				
where their work is produced	shared between performers and producers of				
	performances or phonograms.				
Inadequate protection of digital and	No provision on prohibited conduct in respect of				
electronic works	technological protection measures.				
Lack of access to protected	Lack of provision to allow for protected				
performances for fair use and	performances to be accessed for fair use and				
dealings provided for in terms of the	dealings purposes.				
Copyright Act, 1978 (Act 98 of 1978)					

3 INTENDED OUTCOMES OF THE PROPOSED AMENDMENTS

The current copyright legislative review aims to achieve the following outcomes:

- Improved protection of performers moral and economic rights
- Improved welfare and economic opportunities for performers
- Improved administration of royalties
- Improved access to dispute resolution mechanisms.

4 DESIGNATED GROUPS AND THE BENEFITS

Groups that will benefit	How will they benefit?						
Performers	Improved management and distribution of						
Indigenous communities	royalties by regulating how persons who intend						
	to make use of performances should notify and						
	pay royalties to performers, collecting societies						
	or indigenous communities.						
	More protection of performers' moral and						
	economic rights.						
	More protection by making provision for						
	prohibited conduct that tampers with copyright						
	management information that is attached to or						
	embodied in a copy of a work.						
	embodied in a copy of a work.						
	a Improved protection of performers of						
	Improved protection of performers of						
	phonograms.						
Duadinaria and marfariana at	Making provision for muchility at any dust in some of						
Producers and performers of	Making provision for prohibited conduct in respect						
digital and electronic works	of technological protection measures will protect						
	the rights of producers and performers of digital						
	works.						
The public	Incorporation of the fair use provision will afford the						
	public access to protected performances for fair						
	use and dealings such as education, reporting of						
	current events, personal use, research, etc.						
Collecting Societies	The revenue generated for the administration of						
	performers royalties.						

Groups that will bear the cost	How will they bear the cost?					
the dti	Education and awareness.					
CIPC (Companies and Intellectual	Administration of the applications for fair use					
Property Commission)	and dealings for protected performances.					
	Management of Collecting Societies that will					
	be administering royalties.					
	Education and awareness					
Collecting Societies	Administration costs in terms of the					
	requirements for persons intending to make use					
	of protected performances.					
Performers	Making accessible their protected					
	performances for fair use and dealings.					
Producers	Producers of performances will have to equally					
	share the royalties from their productions with					
	performers.					
The public	Payment of royalties for the use of protected					
	performances.					
Broadcasters	Payment of royalties for the use of protected					
	performances.					

5 BEHAVIOUR AND MECHANISMS FOR CHANGE

Groups inside	Behaviour that must be	Main mechanisms to achieve the			
government whose	changed	necessary change			
behaviour will have to					
change					
the dti	Outdated legislation that	Amendment of the Performers			
CIPC	made no provision for the	Protection legislation to make			
	protection of performers'	provision for protection of			
	moral and economic rights.	performers' moral and economic			
		rights.			
		Amendment of the Performers			
		Protection legislation to make			
		provision for contractual			

agreements between performers and producers whenever there is a production of a performance, where royalties will be equally shared.

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Amendment of the Performers
Protection legislation to make
provision for how persons who
intend to use protected
performances should notify and pay
royalties to the performer.

Amendment of the Performers Protection legislation to make provision for prohibited conduct in respect of technological protection measures.

Amendment of the Performers
Protection legislation to make
provision for prohibited conduct in
respect of copyright management
information.

Groups outside	Behaviour that must be	Main mechanisms to
government whose	changed	achieve the necessary
behaviour will have to		change
change		
Producers and	Contractual terms that do not	Legislative requirements that
broadcasters of	offer performers their due	contractual agreements be
performances	benefits.	entered into between
		producers and performers.
The public	Ignorance and contravention	Education and awareness by
	of performers' protected	the the dti and CIPC on the
	rights.	rights of performers, payment
		of royalties, the use of
		performances for fair use or
		dealings and prohibited
		conduct in respect of
		technological protection
		measures and copyright
		management information.
Performers	Exclusive rights with no	Incorporation of the fair use
	exceptions.	and dealings into the
		Performers Protection
		legislation.

6 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		
Department Communications	The incorporation of World Intellectual Property Organisation WIPO treaties will protect authors of digital works. However, broadcasters should only own signals and not content	They support the proposal	It must be made clear that broadcasters only own the signals and not the content	The proposal will be incorporated in the regulations		
Performers	The collective management of copyright will facilitate royalty payments to performers	They support the proposal for the collection of royalties by Collecting Societies	None	Not applicable		
Collecting Societies	The regulation of the collective management of copyright will ensure standardization of practices among Collecting Societies	They support the proposal	None	Not applicable		
Broadcasters	The prescription of minimum contractual terms by the Minister will infringe the rights to freedom to contract	They oppose the proposal	Contractual terms should be left to the contracting parties for determination	The proposal is not incorporated as the lack of minimum contractual terms will perpetuate the unlevelled playing field between performers and recording companies / broadcasters		
Producers	Performers will be given an opportunity to own copyright on their work through contractual arrangements.	They support the proposal	They propose that the contract has to explicitly state that the performer and the person who commissioned the work will	Yes, it has been incorporated.		

Affected stakeholders	What do they see as main	Do they support or	What amendments do they	Have these amendments
	benefits, costs and risks	oppose the proposal	propose	been incorporated in your
				proposal
			own the work or elements of	
			the work or licence the work	
			under specific conditions.	

7 IMPACT ASSESSMENT

7.1 Implementation costs and benefits

Groups	Implementation costs	Costs of changing behaviour	Benefits from achieving desired outcomes	Comments						
Proposal 1. A performer shall as regard his or her live performances or performances fixed in audio-visual fixations, have the right -										
(a) to claim to be identified as the performer of his or her performances, except where omission is dictated by the manner of the use of the performance; and										
	(b) to object to any distortion, mutilation or other modification of his or her performances that would be prejudicial to his or her reputation, taking due account of the nature of audio-visual fixations									
Performers	None	•	Improved protection of the	•						
Producers		moral rights will be embedded in the costs for	as regards use of their	the copyright						
The public		the application for use of the protected performance.	works.	management information; so that						
CIPC (Companies and Intellectual Property		Education and awareness		every user is aware of such rights.						
Commission)		by CIPC and the dti to performers, producers and		oden riginion						
the dti (Department of		the public on the moral rights								
Trade and Industry)		of performers.								
Proposal 2. A performer shall	ll enjoy the exclusive right of aut	horizing, as regards his or her	performances -							

Groups	Implementation costs	Costs	of	changing	Benefits	from	achieving	Comments
		behaviour		desired outcomes		es		

- (a) the broadcasting and communication to the public of his or her unfixed performances except where the performance is already a broadcast performance;
- (b) the fixation of his or her unfixed performances;
- (c) the direct or indirect reproduction of his or her performances fixed in audio-visual fixations, in any manner or form;
- (d) the making available to the public of the original and copies of his or her performances fixed in audio-visual fixations through sale or other transfer of ownership;
- (e) the commercial rental to the public of the original and copies of his or her performances fixed in audio-visual fixations, even after distribution of such copies by, or pursuant to, authorization by the performer;
- (f) the making available to the public of his or her performances fixed in audio-visual fixations, by wire or wireless means, in such a way that members of the public may access them from a place and at a time individually chosen by them;
- (g) the broadcasting and communication to the public of his or her performances fixed in audio-visual fixations.

The public	Administration costs for the	Education and awareness	Improved protection of the	None
O.D.O.	CIPC in the management of	by CIPC and the dti to	economic rights of	
CIPC	Collecting Societies that will	performers, producers and	performers as regards use	
the dti	be authorising the use of	the public on the economic	of their works.	
and dir	protected performances.	rights of performers.		
Collecting Societies		Collecting Societies would also incur administration costs in terms of the process		
		to authorise the use of protected performances.		

Groups	Implementation costs	Costs	of	changing	Benefits	from	achieving	Comments
		behaviou	r		desired o	utcom	es	
	the analysis and a market market							

Proposal 3. A performer and the producer of a performance (including phonograms) shall enjoy the right to a single equitable remuneration for the direct or indirect use of the performance published for commercial purposes for broadcasting or for any communication to the public, which remuneration shall be shared equally between the producer on the one hand, who shall receive half thereof, and a performer on the other, who shall receive the other half, as provided for in this Act.

Performers	CIPC would incur costs of	The producers and	Increased protection of	None
Producers		performers will incur the	performers where their	
Troducers	Societies who would be	costs of entering into a	performances are produced	
CIPC	collecting royalties from	contractual agreement.	and used for commercial	
	productions.		purposes.	
the dti		Education and awareness		
		by CIPC and the dti to		
		performers and producers		
		on the legislative		
		requirement for equitable		
		share of benefits or		
		royalties.		

Proposal 4. A person who intends to -

- (a) broadcast or communicate to the public an unfixed performance or performance that will be fixed in an audio or audio-visual fixation of a performer:
- (b) make a fixation of the unfixed performance or performance fixed in an audio or audio-visual fixation of a performer;
- (c) make a reproduction of a fixation of a performance or performance fixed in an audio or audio-visual fixation of a performer;
- (d) make available to the public the original or copies of performance fixed in an audio or audio-visual fixation through sale or otherwise of a performer;
- (e) commercially rent out to the public the original or copies of performance fixed in audio or audio-visual fixation of such a performer;
- (f) make available to the public, performance fixed in an audio or audio-visual fixation of a performer, by wire or wireless, in such a way that members of the public may access them from a place and at a time individually chosen by them interactively or non-interactively must –

Groups	Implementation costs	Costs of changing behaviour	Benefits from achieving desired outcomes	Comments
		Denavioui	desired outcomes	
(i) give the performe	r, Collecting Society or indigen	ous community, a notice in the	e prescribed manner of his or	her intention to perform
·	ing where practical, the date of t		•	
	ight owner, Collecting Society o	, ,		
	ociety or indigenous community i			•
	us community proposal is reject	ed after negotiations, either pa	rty may in the prescribed manne	er refer the matter to the
Tribunal.				
Performers	The Tribunal will bear the	Education and awareness	Improved collection of	There will need to be
	costs of adjudicating on	by the CIPC and the dti for	royalties by Collecting	clear processes for the
Producers	cases referred to it where	performers, broadcasters,	Societies and indigenous	submission of notices
The public	there is no agreement on the	producers, the public,	communities.	and payment of
The public	terms and conditions of the	dealers of performances	Language of Physics of a good	royalties to indigenous
Broadcasters	royalty payments.	fixed in audio or audio-visual	Improved livelihoods and	communities.
Sellers of protected		fixations, Collecting	welfare of performers from payment of royalties.	
Sellers of protected performances		Societies and indigenous	payment of royalties.	
performances		communities about the	Improved resolution of	
Collecting Societies		process to be followed when	disputes over royalty	
		one intends to make use of	payments.	
Indigenous communities		protected performances.		
IP Tribunal				
CIDC				
CIPC				
the dti				

Groups	Implementation costs	Costs	of	changing	Benefits	from	achieving	Comments
		behaviou	r		desired o	outcom	es	
Dranged F. The prohibited conduct in respect of the technological protection measure works, the use of a technological protection measure								

Proposal 5. The prohibited conduct in respect of the technological protection measure works, the use of a technological protection measure circumvention device and the exceptions related to technological protection measure contemplated in the Copyright Act, 1978 (Act 98 of 1978), shall mutatis mutandis apply in respect of performances fixed or fixed in an audio or audio-visual fixations.

Contravention of the technological protection measure provisions shall be an offence and a person convicted thereof shall be liable in terms of the provisions of this Act.

provisions of time 7 tot.				
The public	Assistance to enable	The Tribunal, SAPS and the	Improved protection of	Enforcement of this
Tribunal	circumvention as provided for in the Copyright Act 98 of	courts would need to put in place mechanisms to	l'	provision may be difficult since it
SAPS (South African Police Services) The Courts CIPC	1978.	establish whether the circumvention of the technological protection measure by the accused or alleged trespasser was	protection measures. Improved payment of royalties and benefits for performers.	depends on whether the person knew or had reason to believe that the technological protection measure circumvention devices
the dti Performers		The public or would-be users of protected performances would incur	Reduced cases of circumvention of technological protection measures.	circumvention device made, imported, sold, distributed, let for hire would or was likely to be used to infringe
Producers		costs of applying to the performer for The applicant will incur costs of engaging the services of another person for assistance, where the applicant did not receive a response or the request was refused as provided for in	the benefit of the public.	copyright in technological protection measure

Groups	Implementation costs	Costs of changing behaviour	Benefits from achieving desired outcomes	Comments
		the Copyright Act 98 of 1978. Education and awareness by the CIPC and the dti for performers, producers, the public, digital and electronic content providers so that they are aware of the provision to prohibit conduct that seeks to circumvent technological protection measures and the		
		consequences for the contravention of the provision.		

Proposal 6. A performance, a fixation or audio-visual fixation of a performance or a reproduction of such a fixation or audio-visual fixation may be used without the consent of the performer if it is for purposes that are acceptable and exempted in terms of the fair use and dealings as well as the general exceptions from protection of copyright provided for in terms of Copyright Act, 1978 (Act 98 of 1978).

For the purposes of this Act and of Section 86 of the Electronic Communications and Transactions Act No. 25 of 2002, nothing in this Act shall prevent any person from using a technological protection measure circumvention device to perform -

(a) a permitted act that falls within fair use and dealings provisions and general exceptions in this Act and the Copyright Act; or

Groups	Implementation costs	Costs of changing behaviour	Benefits from achieving desired outcomes	Comments	
(b) the sale, offer to sell, procurement for use, design, adaptation for use, distribution or possession of any device or data, including a computer program or a component, which is designed primarily to overcome security measures for the protection of data, in order to enable the performance of any act permitted in terms of paragraph (a) of this section is not unlawful.					
Performers	CIPC bear administration	The public or users of	The public and users of	CIPC would need to be	
Producers	costs in terms of applications for the use of protected	protected performances to incur costs of applying to the	protected works will benefit from access to	adequately resourced in order to administrate	
The public	performances for fair use and dealing purposes.	CIPC to be granted permission to use the works	performances for fair use and dealings without any	the fair use and dealings provision.	
CIPC	acaming purposes.	for fair use and dealings.	payment of royalties.	Possible loss of	
the dti		Education and awareness by the CIPC and the dti for the performers, producers, the public to be aware of the provision for fair use and dealings.	Access to such works for fair use and dealings will foster learning and development as well as improve information sharing.	revenue for performers and producers from work used for fair use and dealings.	
Proposal 7. The prohibited conduct in respect of the removal or modification of copyright management information attached to, or embodied in, a copy of work and the exceptions relating to such removal or modification contemplated in the Copyright Act, 1978, shall mutatis mutandis apply in respect of performances that are fixed or fixed in audio-visual fixations. Contravention of the copyright management information provisions contemplated in subsection (1) shall be an offence and a person convicted thereof shall be liable in terms of the provisions of section of this Act.					
Performers	None	The Tribunal, SAPS and the	Increased protection of	This provision may be	
Producers		courts would need to put in place mechanisms to	performers' and producers rights and economic	difficult to enforce since its enforcement	
The public		establish whether the removal or modification of	benefits because this provision seeks to ensure	depends on whether one knew or had	

Groups	Implementation costs	Costs of changing behaviour	Benefits from achieving desired outcomes	Comments
Sellers/dealers in copyright works Tribunal SAPS (South African Police Services) The Courts CIPC the dti		the copyright management information was done deliberately to infringe on the performer's rights or not. The public or users of copyright works would incur costs of requesting authorisation of the performer to remove or modify the copyright management information as provided for in the Copyright Act 98 of 1978.	that the copyright management information is kept intact and not tampered with for all users of the works to be aware of and treat the works according to the indicated terms and conditions.	the removal or modification will induce, enable, facilitate or conceal an infringement of the

8 BUDGETS AND STAFFING REQUIREMENTS

The CIPC would need to allocate resources for the registration and reporting requirements for Collecting Societies and for the administration of applications for fair use and dealings.

9 HOW THE PROPOSALS MINIMISE IMPLEMENTATION AND COMPLIANCE COSTS

The proposed amendments seek to protect the rights of performers whilst balancing this with the promotion of access to such works for fair use and dealings. Most of the proposals would come with increased implementation costs for CIPC in terms of the management of Collecting Societies. The CIPC and **the dti** would need to embark on education and awareness so as to realise the intended outcomes of the legislation. These implementation costs are deemed to be outweighed by the economic benefits that will accrue to the protected performers.

10. DISPUTE RESOLUTION

The Copyright legislative review recommends the establishment of an Intellectual Property (IP) Tribunal that will preside over disputes lodged on IP matters, including those related to performers' protection.¹

The established Tribunal will deal with potential disputes from performers, producers, broadcasters and the public that may arise from the implementation of the proposed amendments to the Performers Protection Act. For example, there could be disputes arising from the proposal on the equal sharing of royalties between producers and performers.

¹ The assessment of the establishment of the Tribunal in terms of SEIAS has been done in the SEIAS report for the Copyright Amendment Bill Since the Tribunal will be established in terms of the Copyright Amendment Act and not the Performers Protection Amendment Act,

11. RISK MANAGEMENT

Identified risk	Mitigation measures
Lack of capacity by Companies and Intellectual Property Commission (CIPC) to manage Collecting Societies and to administrate the fair use and dealings provision.	Capacity issues within the CIPC and the Tribunal would be addressed prior to the implementation of the new proposals to avoid unintended consequences.
Lack of capacity by the Tribunal to timeously adjudicate on cases brought before it	
Abuse of the fair use provision	The Copyright Amendment Bill outlines what the CIPC would need to consider in determining whether the intended use by the applicant constitutes fair use or dealing.
Infringements of performers rights	Education and awareness and information dissemination campaigns to the public, producers and sellers of protected performances so that they are aware of the new provisions.

12. MONITORING AND EVALUATION

Implementation monitoring of the proposed amendments to the Performers Protection legislation will be a continuous process that will inform decision making on the manner in which resources are employed and activities undertaken during implementation. The information acquired through the monitoring process will also inform the short, medium and long term evaluation of the Performers Protection legislation.

There exists a Monitoring and Evaluation Unit within the Consumer and Corporate Regulation Division of the Department of Trade and Industry (the dti), which is responsible for the monitoring and evaluation of policies and legislation under the custodianship of the Division. The Unit will develop an M&E plan to guide the monitoring and evaluation of the implementation of the Performers Protection legislation. Monitoring will be done on a continuous basis while evaluations will be undertaken within a period of 3 to 5 years. Monitoring and evaluation results will be assessed against the legislative objectives or outcomes and appropriate measures will be undertaken to ensure that the intended outcomes are realised.

13. IMPACT ON NATIONAL PRIORITIES

Priority	Impact
Social cohesion	The collective management of copyrights will ensure that performers are duly rewarded for their efforts and this would eliminate any disharmony between users and performers, thereby contributing to social cohesion.
	Facilitating access to protected performances for fair use and dealings will provide the public or communities with the knowledge and information required to build and develop sustainable communities.
Security	The fair use provisions will provide legal certainty to those who use protected works and curb the infringement of copyright and security over the used works.
Economic growth and investment	Rewarding performers offers economic benefits in the form of royalties and encourages innovation and investment in the creative industry.
Economic inclusion (employment creation and equity)	The collective management of copyright will offer a platform for both big and small scale performers to get recognition for their work by registering with Collecting Societies to receive royalties for their works. Collecting Societies would serve as an incentive for performers (especially small players) to enter the mainstream economy and reap economic benefits for their efforts.
Environmental sustainability	None.

14. SOCIAL AND ECONOMIC GROUPS TO BENEFIT AND BEAR THE COST THE MOST

Main beneficiaries	Main cost bearers
Performers	CIPC (implementation of the new provisions and education and awareness)
Producers	the dti (Education and awareness)
The public	The public (payment of royalties)
Collecting Societies	Tribunal (adjudication of cases)
Indigenous communities	

15. CONCLUSION

In conclusion, the proposed legislative amendments will achieve the intended outcomes if enforcement and education and awareness are intensified.

16. AREAS FOR ADDITIONAL RESEARCH

No areas of further research have been identified.

17. COMPILATION OF SEIAS

Name of the Official:	Mokgadi Mathonzi
Designation:	Director
Unit:	Socio Economic Impact Assessment System
Contact Details:	012 394 1141
Email address:	mmathonzi@thedti.gov.za