South-Africa music industry

Market report

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This report was created as one of the deliverables of the project "Implementing steps to develop and promote European Music Export" (2021–2022). The project was funded by the European Commission.

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Summary

The South African Music Market

South Africa is the most developed and industrialised country in Africa. With a GDP of $376,6 Bn and a media and entertainment industry of over €5,7Bn, South Africa can offer good opportunities for European artists. Thanks to solid and well developed infrastructures (good roads, very good quality bus, train and plain transportation, high and safe internet access and developed bank system), the music industry in South Africa is well organised and generate revenues far beyond other music markets in Africa: recorded music stands at $44,1M in 2017 (€39,3M) ; live music ticket sales at $83M€ (€74M) ; SAMRO collections for an amount of €31,5M.

Europe is one of the first export markets for South Africa and South Africa is the first sub-Saharan African market for Europe.

European artists can benefit from a unique presence of festivals in South Africa, both international festivals and independent and local festivals. However, touring in South Africa remains very complicated because of the lack of venues (even in the biggest cities) and the long distances between two places in South Africa and the geographical situation of South Africa.

Even if SAMRO suffers from diverse controversies, copyright law exists in South Africa and is generally respected. Medias and festivals are aware of the copyright law and their obligation to pay SAMRO. The South African music market has a strong issue with piracy, but it is still one of the safer countries for copyright in Africa.

The South African music market from a European export point of view

International music platforms were launched in South Africa: Deezer, Apple Music, Spotify and Joox are competing in the market. Digital music is a fast-growing market but strong obstacles remain (piracy, high data costs, a very low will to pay for streaming services) and streaming music consumption is still at its very beginning. Radio and social media play the biggest role in artist discovery. Most of the famous international artists in South Africa are North American artists or African artists. Nevertheless, the jazz scene, the electronic music scene, “world music” and the diaspora’s music scene are some of the niche markets that can be considered as open doors for European artists.

As a consequence, we would recommend music professionals to work on social media, radio and television first and identify music festivals that suit their music. Then, work with reliable local professionals.

A stronger barrier is the distance and the costs of artist mobility for European artists as well as for local artists. Some initiatives to increase this mobility exist. Even though the South Africa government has taken strong measures and funding programs towards culture, a wide range of programs towards music are driven by European countries’ cultural institutes or by non-governmental cultural organisations. These organisations try to reinforce the live music promoters, venues and festival capacities and artist mobility too. We can schematize those initiatives with two schemes. The first one is acting towards artist mobility and repertoire circulation and encompasses short term actions driven by cultural institutes. These initiatives enable European artists to play in South Africa (and sometimes South African artists to play in Europe), do residencies with local artists, and participate in workshops. They are most often driven in collaboration with local professionals and can benefit both European artists and South-African artists.

Nevertheless, in a music business perspective, even if these initiatives enable European artists to play their first concerts in South Africa, it does not seem that they strongly help creating a fanbase in South Africa, that can lead to a rentable tour in South Africa. However, cultural institutes have a good knowledge of South African professionals and are very helpful when it comes to reinforcing collaborations and an artistic presence in South Africa. The second kind of initiatives are long term initiatives, with a will to help the development and reinforcement of the music industry in South Africa. For instance, Goethe Institut funds Music in Africa, a very interesting panafrican project, that aims to build an information and exchange web portal dedicated to the African music sector. Besides the web portal, the Music in Africa Foundation runs several offline projects across Africa to support the music sector on the continent. This initiative strengthens the music industry over the African continent. The Norwegian Ministry of Foreign Affairs funds SAMRO foundations' Concert SA, a program that aims to reinforce the live music sector. With the help of research, the initiative identified the weak points of the live sector: artist mobility, venue sustainability, promoters' capacities and developed adapted programs to respond to these issues. IFAS, in partnership with Tshimologong incubator, created the Digital Content Hub, where African music companies are incubated (streaming platforms...). These initiatives participate in capacity building and improve the situation of the music sector in South Africa. In the long term, these initiatives increase the collaboration capacities between Europe and South Africa.

Towards a European-South Africa cooperation

One needs to be aware of the historical baggage in the European relationships with South Africa. It needs to be also acknowledged that South African artists and professionals face strong visa obstacles as well as strong money investment needs (1 rand = 0,061€), when they want to come to European countries. Bearing this in mind is necessary when it comes to designing policy recommendations.

The following study is a first very suitable way to orientate the music professional behaviour to build a development strategy toward South Africa. With a European export strategy point of view, it needs to be deepened in the direction of an even better identification of the music local professional willing to work with European professionals. Then, different programs can be imagined in order to deepen the knowledge of European music professional towards South Africa and vice versa:

– supporting capacity building projects for South African music professionals
– creating networks of European and South African music professionals and support workshops and professional exchanges
– enabling mobility of South African professionals to key music business events in Europe
– supporting artistic exchange projects (production camps, writing sessions, artist residencies...) between artists from Europe and South Africa

Working with reliable local non-government initiatives or organisations (e.g. Music in Africa, SAMRO Foundation) needs to be considered in order to develop these types of initiatives in a suitable way.

If the EU is willing to support and help this market growth and structuration, European companies could get an advantage over e.g. the US companies by using developed structures and networks of music professionals. The European Union, within the framework of its development policies has programs towards the creative industries. We would recommend allocating the funds towards initiatives that strengthen the music industry in South Africa such as Concert SA, IGODA Network, Music In Africa and pan-African networks for music tours in Africa.

1. South Africa: political, economic and demographic context

1.1. Overview of South-African socio economic indicators

Population: 57.7M (mid-2018)

Language: Afrikaans, IsiNdebele, Sepedi, SeSotho sa Borwa, SiSwati, XiTsonga, SeTswana, TshiVenḓa, IsiXhosa, IsiZulu, and South African Sign Language (official languages)

Currency: Rand (ZAR)

Rate : R1 = 0,061€ (2019)

GDP (2018) : $376,6Bn (rank : 31) (IMF)

GDP quarterly change (4Q18): 1,4% (Statssa)

GDP annual change (4Q18): 1.4% (Statssa)

GDP per capita (2017): $13 545 (OCDE)

Average monthly earnings including bonuses and overtime : R19 244 (statssa)

Public debt (2017): 53%

Unemployment rate (2017): 27.5% (OCDE)

Inflation (Jan-2017): 5,3%

Sources: Statssa, Trading Economics, Focus Economics, IMF, World Bank, Ovum, OCDE

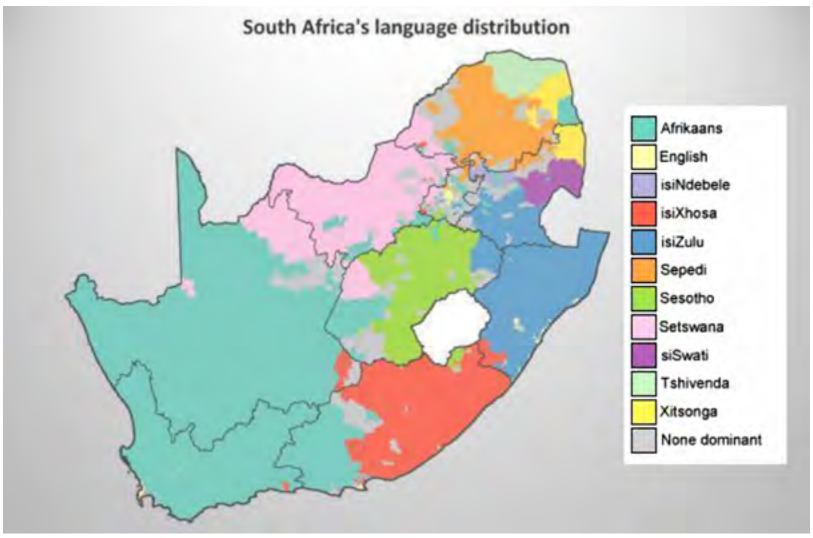
With a GDP of $376,6 billion South Africa is ranked 31 on the list of countries per GDP according to the IMF in 2018. South Africa is known as an upper-middle income economy and stands as one of the most industrialised countries in Africa. Since 1994, the young democracy of South Africa has been under the rule of the African National Congress, Mandela's party.

South Africa arise from a complex history of colonisation and apartheid that lead the country to complex interracial relationships that still represent challenges for the country. South Africa is composed by an estimated population of 57,7 million for mid-year 2018 with:

- 80,9% of black African people
- 8,8% of coloured people
- 7,8% of white people
- 2,5% of Indian/Asian people

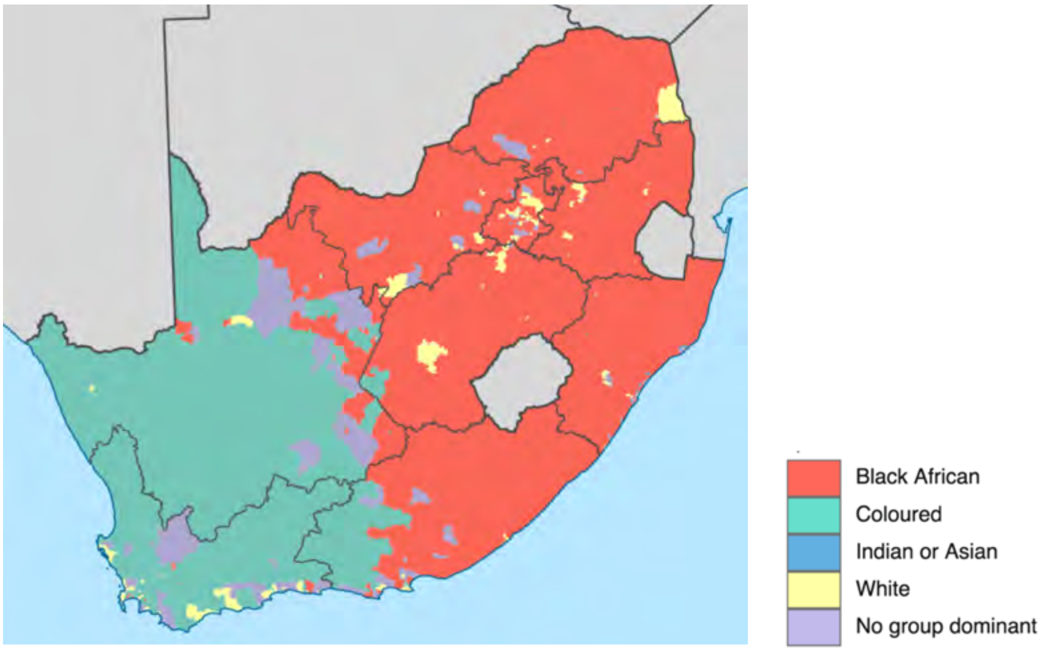
With an area of 1 219 912 km², South Africa stands as the 25th biggest country of the world. The population of South Africa lives in metropolitan areas (41%) cities (28%) and rural areas (31%). The largest share of the population is located in the Gauteng region (25.4% of the population) with 5,6 million people living in Johannesburg (metropolitan area: 10 million) and 2,4 million in Pretoria. KwaZulu-Natal is the province with the second largest population, with 11,4 million people (19,7%) living in this province and 600 thousand in Durban (metropolitan area: 3,8 million). Western Cap and Eastern Cap are the following most populated regions with 4,4 million people living in Cape Town. With a population of approximately 1,23 million people (2,1%), Northern Cape remains the province with the smallest share of the South African population[4].

The repartition of the population by languages and race needs to be mentioned. South Africa has eleven official languages: Afrikaans, IsiNdebele, Sepedi, SeSotho sa Borwa, SiSwati, XiTsonga, SeTswana, TshiVenḓa, IsiXhosa, IsiZulu, and South African Sign Language



4 Statssa

The repartition of the population in the country by ethnicity is the following one – mostly inherited from the colonisation past – according to the 2011 Census[5]:



The repartition differs also from a city to another:

In Durban – 51% of residents are Black African. Nearly one-quarter of the population is Indian or Asian, while 15.3% are White, and 8.6% are designated as Coloured; In Johannesburg – Black African (76.4%), Coloured (5.6%), White (12.3%) and Indian/Asian (4.9%); In Cape Town – Coloured (42.4%); Black African (38.6%); White (15.7%); Asian or Indian (1.4%); other (1.9%)[6].

About 29.5% of the population is aged younger than 15 years and approximately 8.5% (4.89 million) is 60 years or older. Life expectancy at birth for 2018 is estimated at 61.1 years for males and 67.3 years for females.

Despite being a very well-developed country in Africa, the country has to deal with strong inequalities issues. South Africa is the most unequal country in the world according to the GINI indicator that stands at 63.00.

According to OCDE, "unemployment remains high at almost 28% of the labour force, contributing to persistent inequalities in income and economic opportunities".

As a consequence, South Africa is a very divided country and one needs to be aware of a strong insecurity in the cities.

Nevertheless, in terms of infrastructures, South Africa offers comparable amenities, technology and internet access, quality healthcare as western countries. What is more, South Africa has excellent road, rail and air transport. Public transport includes the Gautrain, an 80-kilometre commuter train service between Johannesburg and Pretoria, and the bus-rapid transport system. The financial and banking system are well developed and one can use Mastercard or visa card almost everywhere. These conditions easily enable the development of cultural industries.

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5 http://www.statssa.gov.za/

6 World Population Review: http://worldpopulationreview.com

2. South Africa: Entertainment and music industry

According to PwC research, South Africa is the leading market in Africa for the Media and Entertainment industry[7]. In 2017, Media & Entertainment industries represented a total amount of revenue of $9.8 million.

The report states that consumer spending on Music and Podcasts stands at €116 million in 2017, which represents a year on year growth of 0.6%. PWC foresees 5.8% growth between 2017 and 2022.

According to PWC, “the internet streaming revolution has had positive implications for TV and video, and more strikingly, music, which is up for a healthy future after years of depressed growth”.

South Africa has the strongest music industry of Africa with:

- a recorded industry ranked 31 in the world according to IFPI
- a live sector that represents €74M according to IQ
- a collection society that collected 31,5M€ last year (first collecting society of Africa)

3. Legislative framework

3.1. Copyright legislation

The copyright law of South Africa governs copyright, the right to control the use and distribution of artistic and creative works, in the Republic of South Africa. It is embodied in the Copyright Act, 1978 and its various amendment acts, and administered by the Companies and Intellectual Property Commission in the Department of Trade and Industry. South Africa is a party to the Berne Convention and the TRIPS Agreement. It has signed, but not ratified, the WIPO Copyright Treaty.

Initially, after the creation of the Union of South Africa in 1910, the copyright laws of the four formerly-independent provinces continued unchanged. In 1916, Parliament enacted the Patents, Designs, TradeMarks and Copyright Act, 1916, which repealed the various provincial laws and incorporated the British Imperial Copyright Act 1911 into South African law. In 1928, along with the other British dominions, South Africa became a party to the Berne Convention in its own right.

South Africa, having become a republic in 1961, Parliament enacted its own copyright law separate from that of the United Kingdom, in the Copyright Act, 1965. Nonetheless, this act was largely based on the British Copyright Act 1956. In 1978 it was replaced by the Copyright Act, 1978, which (as amended) remains in force. The 1978 Act draws both from British law and from the text of the Berne Convention. It has been amended several times, most notably in 1992 to make computer programs a distinct class of protected work, and in 1997 to bring it into line with the TRIPS agreement.

7 Entertainment and media outlook: 2018–2022, An African perspective, PwC, Ovum, https://www.pwc.co.za/en/assets/pdf/entertainment-and-media-outlook-2018-2022.pdf

For literary, musical and artistic works – except for photographs – the copyright term in South Africa is fifty years from the end of the year of the author's death, or fifty years from publication if it is first published after the author's death.

3.2. Revenues and status of artists

There is no specific data or research available that investigates the specific situation of musicians in South Africa. The report therefore sources mainly personal interviews conducted during the fact-finding mission.

If we leave out the most successful artists, those which are doing well but would distort the overall picture, most of the artists are not able to make a living from their music. As in other countries they are trying to find jobs related to music, such as teaching, working as session musicians or composing for commercials, but these jobs are rare. Thus, the majority of musicians cannot dedicate their full time to music.

As freelance workers, the majority of musicians and related workers are responsible for their own health and medical insurances (which are reported to be quite expensive) as well as insurances for the equipment they use within their professional capacity.

Freelance workers have to create their own legal and financial protection against discrimination, exploitation and workplace disputes. They are not entitled to join a trade union and are also excluded from dispute resolution using the CCMA (Council for Conciliation, Mediation and Arbitration).[8]

3.3. National Music support and funds

The South African government is aware of the importance of creative and cultural industries not just for social cohesion, but also economic perspectives. Three departments are involved in the development of these industries: Department of Arts & Culture (DAC), Department of International Relations and Cooperation (DIRCO), Department of Trade & Industry (DTI). As far as we know, the first two provide funds for culture and creative industries.

The Department Arts and Culture of the Republic of South Africa sends out a call for proposals on key MGE work streams once a year that is made available on the website with all relevant information. MGE stands for Mzansi Golden Economy, a government commitment envisaging the creation of 5 million jobs over the next 10 years – that also includes interventions to reinforce the Arts, Culture and Heritage (ACH) Sector as an economic growth sector. Applications are accepted in the following three programmes: Cultural Events Programme, Touring Ventures Programme and Public Art Programme. Details can be found on the department's website: http://www.dac.gov.za/details-funding

The Department of Trade & Industry fund IMEXSA is the export office for independent South African music.

Although funding schemes do exist at a governmental level, according to most interviewed professionals it is not fulfilling its role in terms of structuration of the music industry. Even if some interviewees stated that the Department of Arts & Culture has a good vision towards creative industries that results in good policies, most of them criticise the choices of funding mostly large events and festivals and leaving out the core players of the music ecosystem (venues, recording industry). Furthermore, the selection process is perceived as non-transparent.

8 https://sacia.org.za/Employment-Guide

It is important to mention the SAMRO foundation, which plays an important role in building a structured music industry. The SAMRO Foundation (NPC) is an independently registered not-for-profit company that manages the Corporate Social Investment (CSI) and music education programmes of the Southern African Music Rights Organisation (SAMRO) Group. The Aims and Objectives of the SAMRO Foundation are to:

- promote the national arts through sponsorships of various kinds,
- encourage excellence in the arts through education,
- facilitate economic participation in the creative economy
- influence cultural and arts policy by means of research and advocacy, and
- to promote living cultural heritage.

The SAMRO Foundation is involved in outreach programmes and sponsorship of the arts to create and maintain an environment in which the arts in South Africa may flourish. This includes giving broad support to composers, musicians, and arts organisations in South Africa.

The Foundation offers some of the largest scholarships and bursaries for music students in the country. The Overseas Scholarships and Legacy Projects have helped boost the careers of many well-known performers.

Through the Stakeholder Hub they build relationships with other arts organisations and help incubate their growing businesses, the Moshito Convention being among them. Concerts SA encourages performance of music throughout the region by offering mobility funding and supporting grants for concerts.

The Archive is home to over 64 000 scores of music by Southern African artists as well as audio, photographs, research and biographies gathered over the past century. The archive is constantly growing and SAMRO Foundation encourages this by commissioning new original music.

Details and source: http://www.samrofoundation.org.za/

There are some smaller programs and initiatives, such as:

- The National Youth Music Foundation: http://www.nymc.co.za/
- The Apollo Music Trust: https://www.richardcock.co.za/apollo-music-trust
- Bridges For Music http://www.bridgesformusic.org/
- The South African Disabled Musicians Association: https://sadmamusic.org.za/ and provincial departments for arts and culture, that can be found here: https://provincialgovernment.co.za/

Besides funding schemes, some private sponsors – for example Red Bull, telcos and banks – are quite active in supporting live events.

According to interviewees, the State provides serious amounts of money for the music sector and although some bigger events and festivals seem to benefit from these sources, it has come up often that funding by the Department of Arts and Culture is hardly accessible to the majority of artists and organisers in the music sector. Corruption seems to be a very serious issue.

Accessible public funding opportunities for venues (excepting the Concert SA programme), national and international touring activities, recordings, marketing and distribution, education for music professionals and classical music ensembles and orchestras are missing. It seems that the issue is not necessarily the amount of money available, but rather that it does not reach the organisations trying to build a sustainable music ecosystem in South Africa.

In practice, initiatives towards the music industry are mostly driven by foreign partners. Most of them are national institutes or non-governmental organisations from European countries (see: existing collaborations and funds with European professionals/countries)

3.4. Visas policy and trade regulations

Although citizens of most European countries are currently exempt from needing a visitor visa if they visit the country on a temporary basis for tourism or business purposes for a period of 90 days or less (a list of countries which are currently exempt can be found here:

http://www.dha.gov.za/index.php/immigration-services/exempt-countries), musicians from European countries, who want to perform in South Africa, are required to apply for a visa at the South African embassy or their home country.

Information on Visa applications is available here : http://www.dha.gov.za/index.php/applying-for-sa-visa

Since 2016, the "Economic Partnership Agreement between the EU and the Southern African Development Community (SADC) countries" has been temporarily executed (it will be reviewed after five years).

Pro-development orientation. The key points of the agreement are:

- The agreement is an 'asymmetrical' agreement. The EU guarantees Botswana, Lesotho, Mozambique, Namibia, and Swaziland duty-free and quota-free access to the EU market.[9] It also grants South Africa enhanced market access beyond the provisions of the previous agreement.
- The agreement does not require the SADC countries to match the market access granted to them by the EU. SADC may maintain tariffs on certain products to protect them from international competition.
- Economic Partnership Agreement (EPA) countries can increase import duties if imports from the EU increase so much or so quickly that they threaten to disrupt domestic production.

Geographical indications

- EU producers of traditional products with a worldwide reputation, e.g. wines and food products, have the exclusive right to use their traditional names in South Africa.
- Several South African 'geographical indications' are protected on the EU market, such as different types of wine and rooibos tea.

Sustainable development

- All parties are required to uphold social and environmental standards.
- The agreement establishes a consultation procedure for environmental or labour issues and defines a comprehensive list of areas for cooperation between the partners to foster sustainable development.

9 https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=LEGISSUM:0702_21&from=DE#keyterm_E0001

3.5. Taxes

Online Value-Added Tax: In May 2014, South Africa published regulations relating to registration and payment of value-added tax on all online transactions conducted in, from, or through South Africa. Currently levied at 14%, the tax includes online selling of content such as films, TV series, games, and e-books.

Detailed information on business and tax can be found here: http://www.sars.gov.za/

4. Copyright collection societies and main trade bodies

4.1. Copyright collection societies

SAMRO – (South African Music Rights Organisation) for composers, lyricists and publishers.

SAMRO's primary role is to administer Performing Rights on behalf of their members. They do so by licensing music users (such as television and radio broadcasters, live music venues, retailers, restaurants, promoters and shopping centres), through the collection of licence fees which are then distributed as royalties. [Source: http://samro.org.za/about]

SAMPRA – a collective management organisation (CMO) of recording artists and record labels. Copyrights from: communicating sound recordings to the public and diffusing of sound recordings + broadcasting of sound recordings.

Partnerships in EU: Italy, Netherlands, Portugal, Spain, Sweden, Poland, UK (Russia)

Partnerships in Africa: Nigeria (COSON)

3893 recording companies affiliated.

CAPASSO – Composers, Authors and Publishers Association. It is a mechanical rights agency which collects and distributes royalties to its members: music publishers and composers.

4.2. Trade bodies and their principal members

RiSA – The Recording Industry of South Africa

Formally known as ASAMI, RiSA is a trade association representing the collective interests of producers of music sound recordings in South Africa. The organisation was created in the 1970s to represent the interests of a broader cross-section of music industry stakeholders and included manufacturers, retailers, wholesalers and distributors. RiSA has the IFPI label.

AIRCO – The Association of Independent Record Companies

Non-profit, Section 21 registered company (2006/007204/08), serving as South African national music industry association; pro-actively serving and representing the interests and development of South African independent record labels across South Africa and the world. Their membership comprises independent record companies, across the full spectrum of music genres, from across South Africa, and ranging from small sole traders to some of the biggest independent operators in the country. AIRCO's vision is to have independent record labels (companies) occupying the biggest market share and their music getting greater visibility at national and international platforms with sharp focus on influencing South African cultural policies to provide adequate market access and culture diversity.[10]

MASA – Musicians Association of South Africa

MASA is a collective of music professionals, based in South Africa, stimulated by concerns that the country's music industry has few professional standards and lacks support structures and legal resources. This results in artists being exploited by opportunists who undermine the creative and production efforts of serious professionals. The problems affect all areas of the industry creating an environment of mistrust which impacts negatively on all sales, services and general desirability.

IMEXSA – (Independent Music Exporter South Africa) – Independent Music Exporters South Africa (IMEXSA) is a non-profit organisation dedicated to develop South African-produced music around the world, provide assistance, create export awareness, facilitating export development and create opportunities for emerging music companies in South Africa to be internationally successful and to promote professional exchange between South Africa and other countries while contributing significantly to the growth of the South African economy.

COPENZA – Association of some important promoters in South Africa.

MPASA – Music Publishers Association of South Africa. The Music Publishers' Association exists to protect and further the interests of Music Publishers in South Africa and Sub-Saharan Africa.

5. Recorded music market

The South African recorded industry suffered from the drop of physical sales, where the revenues of physical sales have been divided by 4 between 2013 and 2017. Physical used to represent 78% of the recorded industry, it represents 24% in 2017.[11] Even if digital music revenues are increasing (it has been multiplied 3,4 times between 2013 and 2017), these revenues did not manage to compensate for the drastic fall of physical sales. As a result, the South African recorded market is still in decline. Revenues from synchronisation are constant while we can notice a strong improvement in the collections of performing rights. The total music revenues per capita is still low in South Africa: $**0.81.**

Piracy is a strong reason why the recorded music industry is struggling. The most common piracy in South Africa is bootlegs and counterfeits. RiSA and SAMRO are driving anti-piracy campaigns and booklets to fight against the issue by education.

5.1. Digital music focus

Downloads are still playing an important role in the South African music industry. iTunes is widely used in South Africa and with the drop of physical sales, a lot of people con-

10 https://www.musicinafrica.net/directory-categories/distributors

11 IFPI (2018) Global Music report.

tinue to download to have access to music. We can notice that no general trend can be observed for download with an increase of downloads revenues in 2016 and a small decrease between 2016 and 2017. Download is a still current way to consume music. But legal downloads face a high-level of strong piracy in South Africa.

As other countries in Africa, mobile personalisation and ringtones are highly consumed in South Africa.Streaming is a growing way to consume music. Overall digital consumption is increasing. This consumption is linked to a high and fast-growing smartphone penetration in South Africa.

What is more, all international streaming (and download) platforms have been launched in South Africa. Thanks to a strong iTunes presence, Apple Music was one of the first streaming platform to set up in South Africa:

- SIMFY (2012 – owned by mobile VAS provider Exact Mobile)
- Groot Tunes (Local service – 2015)12
- APPLE MUSIC (2015)
- DEEZER (2014 in partnership with telco Vodacom)
- GOOGLE PLAY MUSIC (2015)
- JOOX (2016 – Tencent)
- SPOTIFY (2017)
- MTN Music+ (2017)

According to App Annie ranking, YouTube Music is the n°1 music downloaded app followed by Joox Music, Spotify and Simfy. But Apple Music is known to be the leader of the audio streaming market.

International platforms benefit from the increase of digital consumption as well as local platforms (Simfy). Telcos are important actors and avoid price increase. But the price of data is still high in South Africa and prevents consumers from a real growth of audio streaming consumption. However, according to the IFPI Music Consumer Insight Report 2018, the audio streaming use is at 56% of the population already, which is a bit below the global average of 61%, but higher than in European countries such as France or Germany.

In conclusion, physical sales are breaking in rapidly, but the rising online market cannot make up for the losses still.

Even if there is a very good digital education in SA, and despite a high smartphone penetration and a good internet access, the interview partners see the high costs of data as the main problem and also as explanation, why downloads are still relatively important and streaming not yet where it is in other markets. More competition on the telco market could lead to cheaper prices for data and could lead to a breakthrough for streaming services. It has also been mentioned that monthly subscription models, as offered by the leading international streaming platforms might not fit to the consumer patterns of a big part of South African music consumers, who might rather be willing to invest smaller amounts for limited repertoire offers. It seems that the fitting digital offer for a broad market has not been found yet. Piracy is still a big issue in South Africa, with a lot of people exchanging music via Bluetooth.

12 Local service Groot Tunes rolled out in South Africa at the end of 2016. The download platform is a joint venture between record company Coleske Artists and Afrikaans TV channel kykNET and is offering what the operators claim is one of the world's largest collections of Afrikaans repertoire, along with tracks from UMG and WMG.

5.2. Consumption patterns

According to an IFPI study on international consumption patterns, 80% of South Africans say the place where they more often listen to music is in the car, 57% while working, 25% before sleeping.

South African repertoire is very divided among ethnic groups and cities, with one type of people listening to one kind of music. There is no market share by genre figure but people interviewed all agreed that the strongest genres are:

- Gospel and choral styles
- Jazz
- Afrikaans rock
- House music (and electronic music: kwaito)
- Local urban music

International repertoire has an important market share in South Africa, with United States content dominating. European repertoire is led by electronic, urban and African diaspora music. The decrease of recorded industry sales is affecting more local repertoires than international ones.

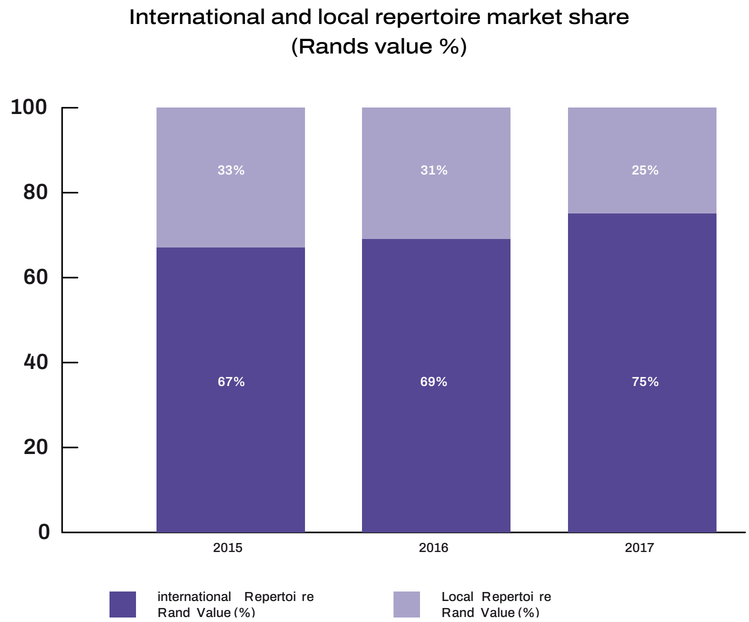

Figure 5.2. International and local repertoire market share.
Source: RISA, 2018.

More detailed information on repertoires are available from 2017 onwards[13] However, the local music content available in radio stations is higher than for music sales.

13 http://www.risa.org.za/media/1106/industry-3-year-stats.pdf

5.3. Main distributors and record labels companies with market share

Record label and distribution market share

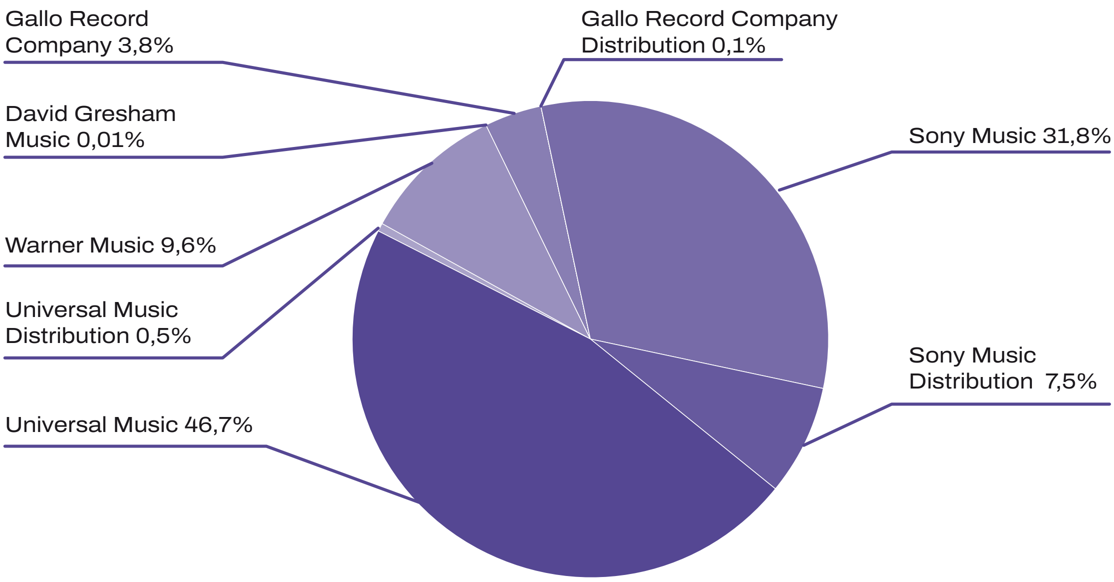

Figure 5.3. Record label and distribution market share.
Source: RISA, 2018.

Universal Music and Sony Music are the top-selling labels in South Africa, followed by Warner Music. Gallo Music, the largest and oldest independent label in South Africa, is still the biggest selling independent label with a strong market share of about 14% of the local repertoire. It is one of the biggest indie labels that survived the rapid and drastic fall of physical sales.

– Top independent labels

Gallo Africa Limited – http://gallo.co.za/

David Gresham Music – https://www.greshamrecords.co.za/

African Cream Music – http://www.africancreamstore.com/

Bula Music – https://www.musicinafrica.net/directory/bula-music

Muthaland Entertainment – https://muthalandentertainment.co.za/

Next Music – https://www.facebook.com/pg/nextmusicza/about/

Spirit Music – http://www.spiritmusic.co.za/

There's quite a lot of new independent labels for underground electronic music, such as Super Black Tapes, Süd Electronic, Lilac Jeans, Non, Kalawa Jazmee, Siyakaka, Eric Frisch Productions, Super Beat, Post post, Matsuli, Afro Synth...

A lot of the independent labels are run by artists themselves, with, for part of them, a lack of business knowledge, international relations and resources. There are no funding opportunities for recordings or marketing and distribution of recordings.

5.4. Digital Distribution

There are a few local digital distribution companies, some work as boutique aggregators, also offering other services to artists, whereas others are open to everybody

- Africori – http://africori.com/
- Content Connect Africa – https://www.contentca.co.za/
- Electromode – http://www.electromode.co.za/
- Nazwo – http://www.nazwo.co.za/
- TurnUpMusic – https://turnupmusic.com/
- the French distributor Idol (https://idol.io/), which is also an international aggregator, opened a branch in South Africa to service the local market.

International aggregators like Believe Digital, CD Baby and The Orchard have been mentioned several times in the interviews and seem to be used by several South African labels and artists. The South African label Next Music is the African partner of The Orchard for digital distribution.

5.5. Main retail stores

The biggest music chain store in South Africa is Musica, which is part of the South Africa-based Clicks Group. They operate 105 stores in South Africa, five in Namibia and three in Botswana (https://clicks.co.za/musica-stores). Their catalogue contains music CDs, DVDs, a few vinyl records and some accessories, and can also be ordered online, but doesn't offer a wide variety of music.

There's a lot of smaller specialised record stores, especially for lovers of vinyl (e.g. Afrosynth Records, Micogram Music Traders, Mr. Vinyl, Record Mad or Vinyl Joint in Johannesburg, Kandi Records, Mabu Vinyl, Roastin' Records, Vinyl Café or Voom Voom in Cape Town).

5.6. Certifications and awards

The South African Music Awards (often simply the SAMAs) are the Recording Industry of South Africa's music industry awards, established in 1995. The ceremony is held in late April or May every year, with the jury process starting in November of the previous year. The nominations are typically announced at the end of March. The winners receive a gold-plated statuette called a SAMA. The show has mostly been held at the Super Bowl in Sun City, with the exception of three years, and broadcast live on national broadcaster, SABC. The ceremony features live performances as once-off collaborations by a selection of nominees.

There's also the Dance Music Awards South Africa (DMASA), an online, public-voted award that acknowledges and honours the accomplishments and contributions of South African dance music artists and industry people who are pushing boundaries and driving South Africa's thriving dance music industry forward. The award includes twenty categories that range from celebrating the Best Female DJ to the Best Night Club of the year. It is an opportunity for South Africans to have their say on who they feel has made an outstanding contribution to this increasingly important genre in South African music.[14]

14 https://www.dmasa.co.za/

6. Live

6.1. Revenues (ticket sales)

PwC estimates the 2018 Live ticket sales to amount to €74 M. South Africa is the biggest live music market of Africa.

According to IQ Mag, there are a lot of big international tours stopping in South Africa (Katy Perry, Ed Sheeran and so on) with high priced tickets. But *"South Africa is entertaining itself with healthy Afrikaans, hip-hop and dance music scenes, as well as splinter movements such as Durban-rooted house sub-genre Gqom"*.

6.2. Venues

South Africa possesses very good infrastructures for big live music events. There is multi-purpose venues, such as huge stadiums and big halls, often connected to casinos (e.g. Time Square Sun Arena Pretoria, Grand Arena Cape Town or Montecasino Johannesburg), for top acts, sometimes open-air spaces (e.g. Green Point Park or Kirstenbosch National Botanical Garden, both in Cape Town) are used for bigger concerts.

Here is a list of the main top artists venues:

- FNB Stadium Johannesburg (capacity: 94.000)
- Cape Town Stadium (capacity: 55.000)
- Ticketpro Dome (capacity: 20.000)
- Time Square Sun Arena Pretoria (capacity: 8.500)
- Grand Arena Cape Town (capacity: 6866)

However, on a fact-finding mission it was found that one of the most often stated problems for the South African music scene is the lack of live venues of a smaller or middle size. There are few live venues that do regular live shows every week. Some of these venues did close recently, as in the instance of mythical venue The Orbit, a jazz club in Braamfontein, that closed in early 2019 or Bassline, a venue for urban music in Newtown, that closed two years ago after over 20 years of activity.

A very small number of venues with 100/200 capacity or grassroots venues remain. Most of them are also bars and restaurants for sustainability reasons.

Here is a short list of them:

- The Artivist (Johannesburg – Braamfontein)
- The Chairman (Durban) Jazz
- Velvet Jazz Lounge (Johannesburg – East London) Jazz
- The Crypt (Cape Town) Jazz
- The Rainbow Restaurant (Cape Town)
- Soweto Theatre (Johannesburg)
- Afro Bru (Johannesburg – Maboneng)
- Just Badela (Johannesburg – Soweto)
- African Beer Emporium (Pretoria)
- The Good Luck Bar (Johannesburg)

A list of grassroots venues can be found on the Concert SA website: http://www.concertssa.co.za/venues-map/

Even with a very little number of middle size venues, there is a vibrant nightlife in Johannesburg, where a lot of parties with DJs are organised in private places and in the

Townships of the metropolitan cities. The live music scene seems to be more vibrant in Cape Town.

As part of the interviews, the question of why there are almost no live music venues in South Africa has been raised several times. It seems a complex issue with a lot of plausible causes. In Johannesburg for instance, a lot of people that work in the centre, live quite far away from the centre. First of all, most of them start working quite early and thus finish work a few hours before the beginning times of the concerts. If they still would want to travel back to the centre to attend a concert, they would either have to take their car (a lot of people do not have cars though), but venues were not equipped with enough parking spaces; or take Uber or a taxi, which is too expensive for a lot of people, or a minibus taxi, which is not the safest way to travel. Safety issues are generally a key issue for venues. There are a lot of stories of guests being robbed on their way to their car, for example.

As there is no stable funding for live music venues, they are forced to have a second supporting leg for their business, as for example running a restaurant. In some cases, these additional offers did seem to not work well with the regular concert audience.

The lack of live music venues results in a lack of income possibilities for artists, managers and agencies as well as little live performance experience of the artists. There's a lot of festivals, but artists cannot play festivals every week. Touring inside of South Africa also means travelling long distances between the bigger cities. It is difficult to perform abroad for most of the artists unless they are already internationally recognised. Within the continent, travel is very expensive, and in Europe or the USA, there's a huge competition and often managers do not have the international contacts needed to establish their artists there.

6.3. Festivals

The music audiences and the music sector in South Africa are very fragmented due to historical reasons. The most popular local gospel acts might not be known at all to the industry behind the most popular gospel acts or Afrikaans rock acts. This also reflects in the festival scene, with festivals for specialised music genres with very little mixed audiences, even if audiences seem to mix more and more.

According to our interviews, there are a lot of music festivals in Africa with local and international artists and in every type of music. More than 160 festivals are taking place every year in South Africa.

South Africa has a lot of small and local festivals for all genres of music, including festivals for locally important genres such as Gospel music or Afrikaans music.

- Rocking The Daisies (Cape Town) https://rockingthedaisies.com/ [Pop, Rock, Hip Hop, RnB, Electronic]
- Up The Creek (Swellendam) https://www.upthecreek.co.za/ [Rock]
- Afrikaburn (Tankwa Karoo National Park) https://www.afrikaburn.com/ [Rock, Pop, Electronic, Art, Performance, Experience]
- Bassline Fest Johannesburg https://new.bassline.co.za/ [all sorts of African music styles]
- Splashy Fen Festival (Underberg) http://splashyfen.co.za/ [Pop, Rock]
- Cape Town Jazz Festival https://www.capetownjazzfest.com/ [Jazz}
- Johannesburg International Mozart Festival http://www.join-mozart-festival.org/home/ [Classical]
- Joy of Jazz in Johannesburg http://www.joyofjazz.co.za/ [Jazz]
- Jazz Festival at the Grahamstown (now Makhanda) National festival of the Arts https://www.nationalartsfestival.co.za/ [Jazz]
- Jazz on the Lake https://www.facebook.com/events/515615278909912/ [Jazz]

There are also some festival with 'imported' genres:

- Ultra-Festival (Johannesburg and Cape Town) https://ultrasouthafrica.com/ [Electronic]
- Lighthouse Festival South Africa https://www.lighthousefestival.tv/ [Electronic]

Furthermore, there is also a strong appetite for Sunday afternoon music events. Plenty of general festivals, often dedicated to food and wine, craft, dance and theatre, also include music.

There's an initiative called the IGODA Festival Circuit. IGODA, meaning 'knot' or 'bind together' in Zulu, is a unique and innovative concept that brings together the finest music festivals within Southern Africa to create one of the strongest touring circuits on the African continent. Igoda is a partnership born out of the Firefest Route encompassing festivals from Mozambique, Swaziland, South Africa and Reunion Island including: Bassline Africa Day (Johannesburg, South Africa), Azgo Festival (Maputo, Mozambique), MTN Bushfire (Malkerns, Swaziland), Sakifo Festival (Saint-Pierre, Reunion Island) and Zakifo Festival (Durban, South Africa) as the founding members.[15]

6.4. Main promoters and bookers

Live Nation has been present since its acquisition of Big Concerts (https://www.bigconcerts.co.za/). There's some smaller promotion companies:

- Bassline (https://new.bassline.co.za/)
- Matchbox Live https://www.linkedin.com/company/matchbox-live/about/)
- Akum Agency (http://www.akumagency.com/),
- Making Music Productions (http://makingmusic.co.za/)
- Impi Concerts (http://www.impiconceptevents.com/)
- Turning Tricks Entertainment (http://www.turningtricksentertainment.co.za/)

There are also a few independent booking agents active in the area.

Live music promoters now have to look for new places, mostly bars and restaurants with enough space.

Management and agencies seem to be a weak point in the South African music industry. Although there are highly successful management companies such as Black Major, it's common knowledge that there are very few managers and agents at all and that local managers and agents would need better education and international contacts to use the full potential of their artists.

6.5. Conventions and professional events, showcases festivals, trade fairs

South Africa has seen quite a few music conferences and professional events in the last years (e.g. Breathe Sunshine in Cape Town or SAMC), but most of them failed to establish and only KZN Music Imbizo, Moshito and Music Exchange are still active.

- KZN Music Imbizo www.themusicimbizo.co.za

The Music Imbizo is a fast-growing annual international music business conference and exhibition. The conference collects various music industry stakeholders under one roof to map the way forward for the music industry in the continent – Africa. It is a platform to exhibit, network, share expertise and knowledge.

15 http://igoda.org/

– Moshito Music Conference and Exhibition http://www.moshito.co.za/

Moshito Music Conference and Exhibitions is Africa's premier event for the music industry to engage in the business of music and has positioned itself as a platform for the music industry businesses and organisations, small enterprises, artists, and musicians to engage the business of music. Since 2004 Moshito Music Conference and Exhibition has established itself as Africa's premiere music industry event. With a purpose to broaden the business intelligence of music industry professionals in Africa, strengthen business networks for participants and inform delegates, traders and the public about the multifaceted and dynamic nature of the global music industry.

– Music Exchange http://www.musicexchange.co.za/

Music Exchange, a non-profit organisation founded in 2009, is one of the leading South African music, film and entertainment digital exchange networks and culminates in an annual 3-day International music conference, masterclasses, workshops, and showcase. The event has quarterly programs for music professionals, media, record labels, related services and suppliers, academic institutions, government, the corporate sector, the private sector and brands. The program provides creative workers with practical tools and insights into the workings of the music, film and entertainment business so they are better equipped to make a success of their individual careers.

In addition, there are some relevant regional and continental events:

– IOMMA (Ile de la Réunion) https://www.iomma.net/

With its previous successful editions, IOMMa has strengthened its position as the first music industry platform in the Indian Ocean area. This market favours exchanges, meetings and opportunities between artists and professionals, while building a bridge towards the music industry in Europe, Australia, America and Asia. IOMMa's ambition is to help the Indian Ocean music industry carry on its professionalisation, as well as encouraging networking through a wide range of business meetings, gathering together international players.

– ACCESS (2019 held in Ghana) https://www.musicinafrica.net/acces

ACCES is a pan-African event for music industry players to exchange ideas, discover new talent and create business linkages. ACCES is held in a different African city every year attracting active music industry players from across the globe.

– Visa For Music (Rabat, Morocco) https://visaformusic.com/

Visa For Music (VFM) is the first professional market /festival of Africa and Middle-East music : it is a new event born in 2013 and organising its 5th edition in 2018, with about 30 showcases at the centre of the project, but also conferences, speed-meetings, workshops and trainings.

This project was born from a paradox : on the one hand, the lack of visibility for African and Middle-Eastern artists at an international level and, on the other hand, a very important artistic dynamism and musical creation from these musicians. To fight against this problem, Visa For Music has, as a first goal, highlighting the artistic creation of Africa and the Middle-East, regarding world music and actual music.

– Atlantic Music Expo (Cabo Verde) http://www.atlanticmusicexpo.com/

In six editions, the Atlantic Music Expo (AME) has established itself as a valuable and welcoming music professionals' meeting for Cabo Verde, Africa, and all sides of the Atlantic. AME features day and night showcases (including an urban music stage and DJ sets), conference program, practical workshops, one-to-one meetings and an evening street market.

6.6. Ticketing companies

Ticketmaster is not available in South Africa. The local leader of the primary market is the ticketing division of Shoprite (a supermarket giant in South Africa) called Computicket. It is very diversified: from theatre, music and sport to bus tickets, gift vouchers and so on. It also partners with Big Concerts. Some newcomers manage to exist in the ticketing market thanks to strong relations with smaller concerts and festivals: Quicket, NuTickets and Plankton for example. Even if the ticketing business still has a substantial number of payments by cash, the market seems to be in transition. According to James Tagg, Quicket founder, his service has 70% of mobile users. Even though South Africa is a very specific country in comparison to the rest of Africa, and even if it looks like a western country in a lot of aspects it conserves, like a lot of African countries, a tradition of cash payment. Despite the strong penetration of smartphones, there is still no successful mobile payment solution, meaning that people pay by credit cards with bank transfer and even cash-on-delivery. Fees can vary from 6% to 15%.

Secondary ticketing: Viagogo does exist in South Africa but beside some exceptions, demand is not strong enough to galvanise the secondary ticketing market according to IQMag.

6.7. Taxes

A 15% VAT is applied on ticket sales.

7. Publishing

7.1. Collecting societies data: SAMRO and CAPASSO

According to CISAC (Confédération internationale des sociétés d'auteurs et compositeurs), South Africa represents 50.5% of the copyright revenues collected in Africa and is ranked 27 in the world.

On one hand, SAMRO (established in 1961) administers the performing rights of its members (music composers, authors and publishers) and collects licence fees from music users – television broadcasters, radio stations, in-store radio stations, pubs, clubs, retailers, restaurants and all other businesses that broadcast, use or play music.

On the other hand, CAPASSO administers the mechanical rights of music composers, authors and publishers and collects fees from digital consumption, labels, CD copies and TV and Radio broadcast.

In 2017, collecting societies of South Africa collected 573 million Rands (+16.6% /2016) and local collections increased by 41.2%. Music copyright represents 91.1% of this revenue and more than half of music copyright collection comes from radio and TV. Local repertoire is dominant in radio and TV. The live and background music segment increased and is the second source of copyright revenue. Digital collection represents 29 million Rands, 5.1% of national collections[16].

According to the SAMRO's annual report 2018, R516,7 million (31,5M€) is the total amount of copyright income in 2018 and R273,7 million (16,7M€) were distributed last year (among it, R72,9M -4,4M€ – were distributed to foreign societies).

SAMRO's share of income is split as follows:

- Radio: 30%
- TV: 38%
- General: 30%
- Foreign: 2%

7.2. Challenges

CMOs in South Africa need to deal with a range of issues.

First of all, CAPASSO (mechanical rights management organisation) is facing the fall of physical sales and the slow decrease of download. In the meantime, the streaming industry is not strong enough to generate a sufficient amount of revenues to compensate for the losses in physical and download sales in South Africa. The population did not develop a will to subscribe to audio streaming platforms and piracy is still very strong.

Although South Africa is in the fortunate position of having three relatively strong collection societies, one of them, SAMRO, has been facing a lack of credibility for several years now. A mistrust against SAMRO has been noticed during our interviews, but also a pride of possessing a relatively well-working collection society. SAMRO suffered from controversies, but its last main issue is a suspension of SABC payment. Radio and TV represent an important share of SAMRO's income (more than 60%). Last year, SABC (main public radio and TV broadcaster) could not pay the royalties to SAMRO which caused strong difficulties to the collection society (22% of SAMRO's income).

7.3. Publishing market and main publishing companies

As far as we know, there are no available figures concerning publishers' market share in South Africa. However, there are three main publishing companies:

- Universal Music Publishing
- Sony/ATV
- Sheer Publishing (the leading independent publisher on the African continent)

During our interviews, a lot of people reported that very few independent publishers do exist and are able to undertake all the components of publishing activity. As a result, more and more copyrights are administered by companies such as Sheer Publishing, with the rights owned by the creator or a small publisher.

A lot of publishing companies are libraries in South Africa and work on track synchronisation.

Some publishers (or professionals surrounding the artists) work on adding value to compositions. Synchronisations are developed and artists/professionals look for them to increase their revenues. But synchronisation remains a niche market in South Africa and mostly doesn't help when it comes to increasing the fanbase of an artist.

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16 CISAC

7.4. Challenges and opportunities

The interviewed people pointed out a severe lack of knowledge from artists around publishing.

South African artists have a strong will to collaborate with international artists. International artists could benefit from such collaborations, because of the presence of a lot of very talented artists in South Africa developing their own specific kinds of music (Zulu, house, Kwaito, South African jazz, gqom...).

8. Media

TV and radio are very strong in South Africa, while social media use is increasing and music blogs, webzines represent a form of coverage for the artists. Press was seldom mentioned as an important influencer during the meetings, even if music specialised press still exists in the country.

During our meetings, most people were explaining that press and media are no longer a good way for artists to build a fanbase and that there are not many good PR agencies in South Africa. Most of them are known to work for different cultural industries and are not specialised in music. Other people interviewed stated that there are good PR agencies in South Africa. But they all agreed on the fact that radio is the most powerful media to discover and promote an artist.

8.1. Radio

According to an IFPI report on consumption patterns[17] 94% of the South African consumers listen to radio, this proportion is far beyond the global average, that stands at 86%.

Radio landscape in South Africa is well-developed with three categories of radio:

- SABC public broadcasting radios;
- commercial radio stations;
- community radio stations (non-profit radios).

All official languages find a place in the radio station landscape as well as other languages. The public service broadcaster is the South African Broadcasting Corporation (SABC). The corporation administers separately public service and commercial radios for a total amount of 18 radio stations. 5FM (youth music), Metro FM, and Channel Africa are ones of the Corporation commercial stations and Lotus FM (Indian), X-K FM (San) are specialised radio stations targeting specific communities.

South Africa used to have only two independent radio stations during Apartheid. After Apartheid, and with the liberalisation of broadcasting in the 90s, an increasing number of radio stations began to operate outside of SABC. In 1996, six SABC radio stations were privatised and in 1997, eight private radio stations obtained their licence to broadcast in the three major cities of the country (Johannesburg, Durban and Cape Town). Among them:

- Heart 104.9FM and Gagasi 99.5FM (Cape Town and Durban – jazz)
- 99.2 YFM (Kwaito – urban)

17 “Music Consumer Insight Report”, IFPI, 10-2018 : https://www.ifpi.org/news/IFPI-releases-2018-music-consumer-insight-report

- Kaya FM (Urban, afro and popular music, is also known for being the first black owned independent radio station in South Africa).

This process extended with new radio licences in smaller cities and in the meantime hundreds of non-profit community radios obtained licences. As a consequence, an important and rich radio landscape emerged in South Africa, providing very strong diversity. There are more than 160 community radio stations that collectively broadcast to millions of people every week.

According to the Broadcast Research Council of South Africa (BRC), on a July 18-December 18 basis, there were over 35.8 million listeners listening anytime in the week to South African radio stations (translated to an 89% weekly reach). This consuming pattern is equally observed in the different regions of South Africa and people listen an average of 3h36 per week to radio (and 46% of the radio listeners listen more than 20h of radio per week). South African people are very loyal to their favourite station: 68% of them listen to one radio station only. Music is the first consumed content with 89% of the radio listeners declaring listening to music.

SABC possesses the five most listened to radio stations in the country, with the leading radios being SABC's African languages radios.

Here is the top listened radios (commercial and PBS) :

- Ukhozi FM (National – SABC – talk [English-Zulu] & Music [Traditional & Urban])
- Umhlobo Wenene FM (National – SABC – talk [English-Xhosa] & Music)
- Metro FM (National – SABC – Music [black urban youth]
- Lesedi FM (National – SABC – Talk [English-Sesotho] & Music)
- Thobela FM
- Motsweding FM

However, also smaller private radio stations have quite strong audiences. Kaya FM for instance has a current listenership that stands at 438 000 daily listeners. There is also one national radio specialised in Classical music: Classic FM 102.7.

SABC tried to set up in 2016 a 90% local content quota for radios. The government is now implementing a 70% local content quota for radios. Most radio stations already respect these quotas. South African radio has been influenced a lot by American radio but recently introduced more local content because the demand for this is very high. South African people listen a lot to local music.

Some radio pluggers: Ian Bredenkamp Media / Melissa Conradie Agency / Sheila Afari Music Services / Tickybox Media

8.2. TV

94% of South African households have a TV at home. SABC is the leader of the market with 3 TV channels. DSTV almost has a monopoly in the South African pay tv market. DSTV is the leading company in Africa.

During the interviews, people stated that there are numerous music TV shows in South Africa. As an example, Live Amp, a TV show that features the latest SA music videos, live performances and video mixing from some of the country's biggest DJs, is part of the Top 20 most watched TV shows according to the broadcast council of South Africa.

Here is a list of the main channels: SABC1, SABC2, SABC3, eTV, DStv channels

When it comes to music-only channels, the market is very competitive in South Africa. MTN is the biggest music channel in South Africa and competes with Channel O [distributed by DStv], a South African-based music channel started two years ago with a strong focus on local music, SoundCity [distributed in 55 African countries by DStv], a Nigerian channel with a strong focus on Nigerian lifestyle, music videos, performances, interviews. Trace TV, a French channel distributed by DSTV, with a strong footprint in Africa, also focuses on music.

8.3. Music Magazines

There are four main players in the newspaper industry: Media 24, Independent Media, Avusa and the Caxton & CTP Group. These companies own most of the national press and major newspapers as well as specialised magazines.

Concerning music, a short list of specialised magazines is presented below:

- SA Hip Hop Mag
- Mahala
- SA Music Magazine
- Hype
- Platform

8.4. Music blogs, webzines, websites

The main online resources available in South Africa are:

- Africa.com|Music : https://www.africa.com/african-music/
- Nu Soul Hub Radio : http://www.nusoulhubradio.com/
- SA Hip Hop : https://sahiphopmag.co.za/
- SlikourOnlife : https://www.slikouronlife.co.za/
- Texx and the City : https://texxandthecity.com/
- OkeyAfrica.com : https://www.okayafrica.com/

Some international music platforms are also well established in South Africa, such as Bandcamp or the electronic music webzine Traxx.

8.5. Resources about South African music industry

Some organisations also provide useful resources, data and news on the South African Music Industry:

- Music In Africa: https://www.musicinafrica.net/

8.6. Social media

In South Africa, 38 million people are unique users of a mobile phone. 54% of the whole population have an internet access and most of the internet access is via smartphones. 32% (translated to 18 million of people) are active social media users (with a 23% year on year growth). 60% of the adult population uses a smartphone[18].

According to a survey of GlobalWebIndex in 2017, the average daily time spent on social media (including chat applications) via any device stands at 2h48 and the average daily time spent on listening to streamed music stands at 1h07.

18 Google Consumer Barometer 2018

According to Alexa's ranking of top websites in South Africa (based on the number of daily visitors and the number of pages viewed), Facebook ranks fourth and YouTube third. What's more, the top Google search queries in 2017, Facebook ranked first, YouTube sixth and the word "Music" was the 8th most used term for queries.

Here are the top 5 most active social medias / chat applications in South Africa:

- Whats app
- Facebook (18M monthly users)
- YouTube
- FB Messenger
- Instagram (3.9M monthly users)

Social media has been described as a strong source to discover new music in South Africa. Even though YouTube has a relatively small penetration in South Africa in comparison to other African countries, it is a platform where international music can be discovered. Facebook is also well developed in South Africa.

9. Focus: classical and contemporary classical music

There is no specific data or research available that investigates the specific situation of (contemporary) classical music in South Africa. The report is therefore sourced from face-to-face interviews and some published news articles.[19]

"Western art music" has a rather difficult standing compared to the situation in most European countries. It is considered to be "white music" by a lot of people, although there are a lot of significant contributions by black composers and composers of colour, and musicians worldwide. This might explain why there seems to be a lack of funding and public support that leads to a situation where more and more orchestras stop their activities, and big cities such as Johannesburg having almost no dedicated concert halls or opera houses for classical music performances, besides Linder Auditorium at the Campus of the University of the Witwatersrand (Wits).

There are a lot of talented performers of classical music in South Africa, especially in the field of singers. The best ones try to complete their education at international universities, which is extremely expensive. Initiatives such as the Apollo Music Trust[20], whose chairman is the artistic director of the Johannesburg Festival Orchestra Richard Cock, tries to give financial aid for these students. Also other initiatives, like the music education projects by the SAMRO Foundation[21], the project Umculo[22], or the National Youth Music Foundation[23] are helping young musicians in the field of classical music.

19 https://www.musicinafrica.net/magazine/listening-art-music-contemporary-south-africa or https://www.deutschlandfunkkultur.de/oper-johannesburg-muss-schliessen-die-leute-haben-es.2177.de.html?dram:article_id=414088

20 https://www.richardcock.co.za/apollo-music-trust

21 http://www.samrofoundation.org.za/samro-flagship-projects.php

22 http://umculo.org/

23 http://www.nymc.co.za/

A lot of talent does not return to South Africa, trying to build their careers mostly in Europe or the USA, some with great success (e.g. Pumeza Matshikiza, Pretty Yende).

There are no specialised labels for classical or contemporary classical music in South Africa but there is a dedicated radio station (Classic FM 102.7).

There are some festivals and concert series, quite a few in light and relaxed environments, addressing wider audiences.

- Johannesburg International Mozart Festival http://www.join-mozart-festival.org/home/
- Last Night of the Proms in Cape Town, Johannesburg and Port Elizabeth
- Silver Mountain Music Festival Swellendam https://www.silvermountainmusic.co.za/
- FynArts Festival, Hermanus http://www.hermanusfynarts.co.za/
- Starlight Classics https://www.richardcock.co.za/starlight-classics

10. How to export in South Africa?

10.1. Good practices, specificities of the market, and challenges.

Based on our analysis, we have singled out the main challenges and opportunities for European Music Export in South Africa.

Opportunities of the market:

- most developed music market in Africa
- very good infrastructures
- existing collaborations with Europe
- strong festival scene
- wide and strong landscape of radio stations and TV channels
- developed social media
- presence of all international music streaming platforms

Key obstacles of the market:

- Distance between Europe and South Africa
- very few live music venues
- difficult touring routes
- fragmented audiences
- strong local repertoire even if the recorded industry sales are dominated by international artists

Due to the above described specificities of the market, besides internationally renowned artists, the South African market will most likely be interesting for very specific groups of artists and companies:

- artists with a diaspora background
- Jazz musicians, especially when they're also interested in workshops and teaching projects
- Electronic music performers and DJs
- musicians interested in collaborating with South African musicians
- companies working with (South) African repertoire

- companies with a Pan-African scope, that want to settle on the continent and appreciate the developed infrastructure

Challenges:

- Finding local partners, such as live agencies or concert promoters, PR agencies
- Finding travel grants to make concerts or a tour profitable
- Maintaining the presence in South Africa

Good practices:

- Develop a fanbase through social media and radio
- Focus on festivals first and one or two concerts in the major cities (Johannesburg, Cape Town)
- Look for artistic collaboration with local artists

10.2. Existing collaborations and funds with European professionals/countries

This section presents self-organised initiatives by South African professionals, initiatives run by South African organisations but funded by European countries, as well as initiatives of collaboration organised by European countries institutions.

- **IGODA Network**

Founded in 2016 by independent festivals, Igoda Network aims at creating one of the strongest touring circuits on the African continent by reinforcing the festivals' capacity, when it comes to bringing regional and international artists on stage. IGODA means 'knot' or 'bind together' in Zulu. The festivals of the network's members take place in different countries of Southern Africa during a short period of time, which enables them to negotiate better conditions for artists fees and share some of the costs (days off for artists between two concerts of the network take place between 5 and 8 days). As a result, the network formed a touring circuit for artists to play in different places within a short period of time.

According to Igoda, the initiative has a will to:

- Create lasting and stable live music tours
- Increase music diversity
- Develop cultural industries (by putting the light on local artists, developing audiences, music jobs...)
- Develop skills and capacities (by the professionalisation of music artists and professionals)
- Promote social cohesion

The Igoda network is composed by five festivals:

- Azgo (Maputo – Mozambique)
- Bassline Fest (Johannesburg – South Africa)
- MTN-Bushfire (Malkerns – Swaziland)
- Sakifo (Saint Pierre – Reunion Island)
- Zakifo (Durban – South Africa)

The network is a continuation of the "Firefest Route", an initiative funded in 2012 by the African Music Festivals Network (a network that used to operate between 2009 and 2014, funded by the Danish Centre for culture and development (CKU) in partnership with the African Synergy Trust and the Pamberi Trust Zimbabwe).

The Igoda network is a non-profit organisation based in South Africa and can raise money for communication and shared costs of its festival members. Artistic directors of the festival members have meetings 2 or 3 times a year, where they discuss the development of the network and share their shortlist of artists to work with. At the moment, there is no coordinator of the network and everyone is involved. As far as we know, there is no similar pan-African network for live music festivals.

Since 2016, 57 acts have benefited from the Igoda tour circuit with an average number of concerts of 2.67. Most of the acts were coming from African countries, the other nationalities were: Australia (1), New Zealand (1), Spain(1), Switzerland (1), France (5), Belgium (1), United Kingdom (2), USA (5), Canada (1), Brasil (1), Jamaica (1) and Japan (1).[24]

There is no open call for artists to apply for the Igoda network circuit, but applying for one of the festivals of the network can potentially open the doors of the others.

The Igoda network is a good opportunity to play in Southern Africa by participating in different festivals, which can lead to a rentable tour and an audience of thousands of people. It increases the regional circulation and enables international artists to reach festivals based in Southern Africa. A short description of the festivals is available in the annex.

The Igoda network also works on common systems for ticketing administration, festival production, circulation of sound and light engineers.

The Igoda network is well-recognised in South Africa. Most professionals interviewed knew about it and think that it is a good initiative.

Website: http://igoda.org/

- **Music In Africa**

In partnership with Siemens Stiftung and partners from across the African continent Goethe Institute initiated and supported Music in Africa, with an information and exchange web portal dedicated to the African music sector. https://www.musicinafrica.net/

Besides the web portal, the Music in Africa Foundation runs several offline projects across Africa to support the music sector on the continent including, but not limited to, artist training, mentorship projects, artist mobility and exchange projects, instrument building and repair projects, conferences and seminars. The aim of Music In Africa is to encourage growth in the African music sector, strengthen music networks and collaborations on the continent and also address African professionals and creators, African content or content related to Africa and also the African diaspora.

In a lot of the interviews the work of Music in Africa is seen very positively in the music sector. People see room for improvement in the user-friendliness of the artist and industry database and especially in the reach of the database – a lot of African music professionals seem not to be aware of the availability and importance of the service.

Below is a list of projects that are currently active:

ACCES – The Music In Africa Conference For Collaborations, Exchange And Showcases, or simply ACCES, is a platform for music industry players from across the continent to exchange ideas, discover new talent and accelerate the shaping of the vibrant music sector on the continent.

24 Artists coming from non-European countries can have a European label or agent, so it might have been more with a relation to Europe benefiting from the tour circuit already.

ACCES is held in a different African city every year, attracting delegates from many countries. The event is spread over three days, offering a dynamic programme designed to benefit local participants and visiting delegates. The programme typically offers training workshops, panel discussions, presentations, live performances, networking sessions, exhibitions and visits to key music industry hubs in the host city.

Wherever it is held, ACCES presents opportunities for the local industry to showcase its musical works to a diverse audience while fostering business exchange and the creation of a strong network of music professionals on the continent.

Instrument Building and Repair (IBR) Project – The overarching objective of Music In Africa Foundation's Instrument Building and Repair (IBR) project is to encourage the formalisation and professionalisation of instrument-making and repair in Africa, especially in relation to indigenous African instruments. The idea is to encourage young people from music and music-related sectors to consider instrument-making as a career since the making of traditional African instruments is not a widely practised skill and seems to be limited to the older generation. Since 2016, the South African National Lotteries Commission has also funded the project. The project drew participants from five African countries. 25 students from South Africa, Ghana, Senegal, Kenya and Ethiopia were trained on how to build and repair musical instruments. The workshop culminated in a traditional instruments concert at the Wits Theatre in Johannesburg.

Music In Africa Connect Artists – The Music In Africa Connects Project (MIAConnects) is a multi-faceted music development initiative aiming to support the musical sectors of African countries affected by conflict. The project is implemented by the Music In Africa Foundation together with partners in seven focus countries, namely Chad, Mali, Niger, Nigeria (North), Somalia, South Sudan and Sudan. It is supported by the German Federal Foreign Office and Siemens Stiftung. The project runs for a period of two years, from 2017 to 2018. The project includes:

Music Industry research – Music In Africa will commission experts in the focus countries to research pertinent topics in the seven countries, and their key findings will be published on www.musicinafrica.net. Topics covered will offer well-researched information with a view to highlight not only challenges but opportunities that exist for music professionals. Topics will cover areas such as effects of conflict on the music sectors, efforts towards re-igniting the music industry, music as a social and political catalyst, success stories, new music and opportunities for music professionals. As the unifying point for the project, www.musicinafrica.net will play a key role in the project, not only as the host and distributor of content but as a central online point where interest groups can apply for participation and receive project updates.

Training programmes – This is done with the aim to develop the skills of music practitioners in the focus countries, including but not limited to musicians, music managers, event organisers and sound engineers. Implementing partners are responsible for designing and implementing training and up-skilling workshops based on the needs identified in their counties. Four countries will implement these particular workshops in 2017, namely Chad, Mali, Somalia and Sudan.

Training programmes broadly cover:

- Technical (sound, lighting and stage)
- Musician-focused training (performance, marketing, theory, production, recording, industry etc.)
- More training areas will be identified by partners

Facilitating artist exchange and mobility: Artists all over the world face mobility challenges on a regular basis. MIAConnects aims to provide financial support for artists to exchange, travel and perform within their own countries, regionally and internationally (in Europe), provided that such activities do not compromise the safety of participants. This support will be available in seven countries: Chad, Mali, Niger, Northern Nigeria, Somalia, South Sudan and Sudan.

Broadly this component of the project will offer artists the following touring opportunities:

- National: musicians perform in their own countries.
- Regional: musicians perform at concerts and other events on the continent.
- International: musicians travel to Europe and perform at an international event.

Talent discovery – This part of the project aims to facilitate the discovery of emerging talent in five countries (Chad, Mali, Somalia, Sudan and Northern Nigeria). This will be mainly achieved through live performances. This performance element aims to showcase musicians' talent locally and aims to connect participants with the broader Music In Africa network, including but not limited to festivals and media platforms.

Concerts SA – Concerts SA is a joint South African/Norwegian live music development project housed within the SAMRO Foundation. Concerts SA receives financial, administrative and technical support from the Norwegian Ministry of Foreign Affairs, SAMRO, the SAMRO Foundation and Concerts Norway.

Working with musicians, promoters, venue owners and audiences, and providing support to the sector through research and skills development for music professionals, the project aims to build a vibrant and viable live music circuit in southern Africa. Thanks to internal and external research, Concert SA has developed programmes to respond to the existing obstacles between South African audiences and regular, accessible and well organised local live music performances.

Among these programs, The Music Mobility Fund is the most established. It is a funding mechanism that offers opportunities for South African musicians to undertake live music tours. Music professionals are invited to apply for funding from a National Mobility Fund (for projects in South Africa), and a Regional Mobility Fund (for projects taking place in other SADC countries). https://www.concertssa.co.za/

In 2013, Concerts SA mapped the live music sector and developed a pilot program to support venues and promoters in South Africa. This program works with townships and rural venues in the provinces as well as more established venues in Durban, Cape Town and Johannesburg.

Concerts SA also aims to develop an interest in and appreciation of live music by showcasing music performances and conducting workshops at schools through the School Circuit Programme[25].

Concert SA has developed an exchange programme in partnership with Kulturtanken to strengthen bilateral networks. South African professionals can participate in workshops and networking sessions in Norway thanks to this program.

Concerts SA collects data on touring and venues. They drive research towards the live music industry in South Africa. The Concerts SA venue map is available online : http://www.concertssa.co.za/venues-map

The work of Concerts SA is much appreciated by music professionals in South Africa. Their work with grassroot venues is seen as a way to structure the music industry and to respond to the main issue of the live music industry: the inability for venues to sustain. But since it mostly addresses smaller and evolving structures and the amounts of

25 Source: https://www.concertssa.co.za/our-story/

money given are relatively small, the programme is seen as unfortunately insufficient. The programme funded by the Norwegian Ministry of Foreign Affairs can also stop from one day to another.

Digital Content Hub – IFAS (French Institut of South Africa) in partnership with Tshimologong Digital Innovation Precinct (an innovation cluster in association with Johannesburg Wits University) initiated the Digital Content Hub in 2018: a physical incubator for innovative audiovisual contents (VR, AR, hologram, video games, music). French companies and schools are also involved (Trace TV, National Audiovisual Institute (INA), Gobelin school) with the aim to foster links between the French market and the South African creative digital ecosystem. The initiative is funded by the French Development Agency (AFD). The Digital Content Hub is dedicated to training, incubation and supports African companies with the aim to increase capacity building and professional skills and accelerate the shaping of innovative African companies.

Pro Helvetia Johannesburg – They promote artistic and cultural collaboration between South Africa and Switzerland, acting as a link between cultural projects from Switzerland and local promoters, initiating co-productions with cultural practitioners and supporting residencies for artists. All applications for projects between Switzerland and South Africa must be submitted through the application portal my prohelvetia.
Information: https://prohelvetia.org.za/en/#Support

They also promote cultural exchange, develop and nurture long-term partnerships and support residencies. Information: https://prohelvetia.org.za/en/#residencies

French Institute of South Africa (IFAS) – As a cultural centre, the French Institute organises music events. In 2019, the French Institute organised “Garden Concert”, a series of musical afternoons featuring local bands of various musical styles. Through the Digital Content Hub, IFAS is involved in academic programs, workshops, expertise exchanges, special events.

IFAS, through partnerships with local professionals, enables French artists to play in South Africa. In 2019, IFAS has partnerships with : Johannesburg International Mozart Festival, Cape Town Electronic Music Festival, Vogue Night Jozi, Fak’ugesi festival, Joy of Jazz.

IFAS also actively developed the “Fête de la musique” event in Johannesburg. A partnership with Brad Holmes (Bassline) allows local promoters to develop the event in different places and venues of Johannesburg.

Goethe-Institut Südafrika – The Goethe-Institut is the Federal Republic of Germany’s cultural institute, active worldwide. They promote the study of German abroad and encourage international cultural exchange.

Goethe Institut has developed a travel grant and event participation grant called Moving Africa and gives artists the opportunity to travel to selected cultural festivals on the continent.

They initiated and supported Music in Africa (see above).

British Council – British Council Connect ZA is a cultural programme developed between the UK and South Africa. Since 2013, the programme has supported cultural connections between young people aged 18-35 in the UK and South Africa with a range of arts projects and use of digital platforms to build creative networks through art forms including, fashion, music, film, design and more.

https://www.britishcouncil.org.za/programmes/arts/connect-za

Some other European countries do provide travel funds for their artists performing in South Africa.

11. Policy recommendations

At present, enhancing the exchange between European and South African musicians and companies might mostly be based on political and cultural diplomacy considerations rather than economical ones. But in the long term, South Africa has a strong potential to become an interesting market for several specific segments of the European music sector.

We would recommend first:

- deepening the knowledge of south African music professional landscape
- supporting capacity building projects for South African music professionals
- creating networks of European and South African music professionals and support workshops and professional exchanges
- enabling mobility of South African professionals to key music business events in Europe
- supporting artistic exchange projects (production camps, writing sessions, artist residencies...) between artists from Europe and South Africa

Working with reliable local non-government initiatives or organisations (e.g. Music in Africa, SAMRO Foundation) should be considered in order to develop these above-mentioned initiatives in a suitable way.

If the EU is willing to support and help this market growth and structuration, European companies could get an advantage over e.g. the US companies by using developed structures and networks of music professionals. The European Union, within the framework of its development policies has some programmes earmarked towards the cultural and creative industries. We would recommend allocating the funds primarily towards initiatives that strengthen the music industry in South Africa such as Concert SA, IGODA Network, Music In Africa and Pan-African networks for music tours in Africa.

Sources

A report on South African live music audiences published in 2016 by SA-Norwegian live music development project, Concerts SA, unveils new research conducted in collaboration with the Wits School of Arts in 2015. This provides up-to-date, detailed knowledge about what attracts audiences to live music, and what deters them. The research suggests local authorities have a key role to play in making live music more attractive and accessible.

http://www.samrofoundation.org.za/perch/resources/it-starts-with-a-heartbeat-2016.pdf

A report from 2010 conducted by Moshito Music Conference & Exhibition, not fully up-to-date, but illustrating a lot of the South African specifics and current issues already back then:

http://www.samrofoundation.org.za/perch/resources/2010-moshito-mmino-mapping-sa-live-music-circuit.pdf

Annexes

List of people interviewed.

1. Colleen Balchin / Broaden A New Sound
2. Laurent Bizot / No Format
3. Nicky Blumenfeld / Kaya FM
4. Véronique Briquet-Laugier / IFAS
5. Richard Cock / Richard Cock Music Enterprises
6. Erika Denis / IFAS
7. Gillian Ezra / Trace, Former Head of African Operations Deezer
8. Valentine Gaudin-Muteba / Trace
9. Eddie Hatitye / Music in Africa
10. Brad Holmes / Bassline
11. David Ireton / CTEMF, MADE Agency
12. Yoel Kenan / Africori
13. Jake Larsen / Digital Content Hub
14. Violet Maila / SAMRO Foundation, Concerts SA
15. Claire Metais / Music in Africa
16. Thibaut Mulling / IDOL
17. Aymeric Péguillan / Pegs Music Project, former co-founder of The Orbit
18. Ignacio Priego / SAMRO Foundation, Concerts SA
19. Theresho Selesho / Matchbox Live / Oppikoppi Festival
20. Sipho Sithole / Moshito Music Conference and Exhibition, Board member of RISA, former Deputy Managing Director of Gallo Music Group, founder of Native Rhythms Productions and Native Rhythm Records
21. Sevi Spanoudi / Black Major
22. Jess White / Akoum Agency

Questionnaire for the Fact-Finding Mission to South Africa

Part 1. Personal information

1. Could you please introduce yourself / your company?
2. How would you describe your role within the South African music industry / music scene?

Part 2. Information about the South African Music Market / Music Scene

1. How do you see the actual situation of the South African Music Market?
2. How would you describe the development within the last three years?
3. Where do you see the key requirements of the segment you're working in?
4. Which musical genres are the most successful in South Africa?
5. How do you see the situation of the artists?
6. How do you see the situation for music managers?
7. How do you see the situation of the live music sector?
8. How do you see the situation of the recorded music sector?
9. How do you see the situation of the publishing sector?
10. Are there any support schemes (public or private) that you're aware of or that you already used?

Part 3. Information about possible cooperations with European countries / artists / companies / repertoire

1. How do you see the export readiness of the South African music industry?
2. What are the main markets targeted by the segment you're working in?
3. Are you / is your company interested in cooperations with European countries / artists / companies / repertoire?
4. If yes, what would it need to develop or expand such cooperation?
5. Where do you see the main challenges for such cooperation?
6. Where would you see the main benefits of such cooperation?
7. Which forms of cooperation or exchange projects would you be interested in?
8. Are there particular musical genres of European music where you see the most potential within South Africa?

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