

CHAIRPERSON'S REPORT

2021 was yet another year marked by COVID restrictions for the creative industry. The Covid – 19 pandemic, has been devastating for societies and economies around the world, and has strongly impacted the creative sector, COSBOTS inclusive. Hope has been rekindled though, as the government has gradually begun easing COVID restrictions. The easing of restrictions has made it possible to the reintroduction of large gatherings, not least for sections of our industry (art fairs, music festivals, etc), providing much needed income revival for creatives across all genres.

COSBOTS has always prioritized providing the best possible service for members and rightsholders. This resulted in a very positive outcome in 2021, as we increased the net distributable revenue threshold, which has been increasing year after year. This accomplishment stands in sharp contrast to the reality and conditions that many music creators and other collective management organizations faced in the music industry in 2021. The year was unfavourable to us, as we lost several of our members. We will remember them as the sun sets and rises, for their wonderful songs will live on.

Our dedication, led by our mission, vision and values – Botho, Transparency, Integrity, Customer-Centric, Ownership, and Teamwork –assisted us in deliberately and methodically mitigating the impact of COVID-19 on our members. A significant cross section of CMOs, including COSBOTS also adopted measures such as bringing scheduled distributions forward or establishing special funds in addition to or as part of their cultural allocations. To reduce the impact of COVID on our members' livelihoods, the Board approved a P1.5 million secondary distribution in addition to distribution 13, on top of the relief monies provided to members.

As enshrined in our new strategy by putting members first, we strive to be a leading example of how rights should be managed in a global cultural economy. We do this by optimising our business, by being transparent, and by collaborating with partners whose mandate and interests are aligned with ours: to be the best at what we do. But we also do it by insisting that our ambitions rest on a sustainable basis: creativity grows wild and free; it does not thrive in conditions of uniformity and monoculture. That is why we invest in upholding the diversity of our creative industry as a multi-purpose CMO.

The Board has taken steps towards advocating for review of existing systems of levies compensation to include rightsholders. A full or partial implementation of the Levy on Technical Devices Fund (LTDF) and the Public Lending Right will be a needed lifeline for authors and artists particularly after the pandemic. The Board recognises that COSBOTS's communication activities must enable COSBOTS and its members to defend the principles of copyright and authors' rights, embrace the digital environment,

and communicate the importance of collective management especially to the government as an essential user of copyrighted works.

Art is made by human beings, and so it should unfold in a just and fair industry. During the year, we articulated these ambitions for COSBOTS in a new business strategy that sets the course ahead until the year 2025. The strategy includes a range of initiatives and infrastructure investments to support our future work. At the same time, we launch our efforts to determine how and where the creative industry can contribute to achieving a sustainable life for our members post COVID.

As members, we have every reason to be proud of our collective rights management. A focus on cultural strategies, an agenda of sustainability, and a sustained attention to efficiency, technology, strategic collaborations, and business development are all traits will characterize the Company's new strategy. COSBOTS supports members in responding to national issues of concern, including proposals to amend local content quota, the copyright law, or other proposals that would impact negatively on our sector.

In the past few months before year end June 2021, we worked with the artists associations to ensure artists are fully engaged in the work of COSBOTS. We will continue to work closely with all associations, especially the reprographic reproduction rights associations during the coming year, by way of workshops and sharing of information.

In the new strategy the Board has seen fit and agreed on a cooperation on development work with the government. This will enable COSBOTS to secure and expand its development work and support of its members.

I want to thank all the board members, for their clear perspective and the ability to engage objectively during many board discussions and appreciate our Chief Executive Officer (CEO), Mr. Letlhogonolo Makwinja, who has been effective in implementing the turnaround strategy, and commend the commitment of the management team and all employees who have endured and served with pride.

Bakalanga Mahoko



Chairperson of COSBOTS Board of Directors