The Nigerian Film Industry (Nollywood) is globally recognised as the second largest film producer in the world. The Industry is a significant part of the Arts, Entertainment and Recreation Sector which contributed 2.3% (NGN239 billion) to Nigeria’s Gross Domestic Product (GDP) in 2016. It is one of the priority sectors identified in the Economic Recovery and Growth plan of the Federal Government of Nigeria with a planned $1 billion in export revenue by 2020. Nonetheless, existing challenges will have to be addressed to take Nollywood to the next phase. PwC’s Global Entertainment & Media Outlook 2017 – 2021 provides deep knowledge and actionable insights on the trends that are shaping the entertainment and media industry.

**The Nollywood of the future**

**Financing & Infrastructure**
- Alternative Funding Mechanisms
- Accurate data collection and tracking of revenue
- Digitisation
- Multipurpose use of artistic spaces for cinemas, galleries, stage plays and private screening
- Multiple revenue streams and consumption modes
- Multiple distribution channels

**Capacity Building**
- Training institutes e.g. Film Academies
- Sponsorships/scholarships for local & foreign courses
- Mentorship from veteran entertainers
- Regulators
- Exportable content

**Legal**
- Ownership of Rights
- Regulations for protection of Intellectual Property rights
- Elimination of Piracy
- Contract structures

**Global**
- Co-production with global film producers
- Film tourism
- Film festivals
- Recognition on a global scale
Case Study – India

India is the largest producer of films in the world in terms of quantity. Key Government initiatives were implemented which resulted in rapid progress. Some of these initiatives as well as the impact of new technology are highlighted below:

Foreign Investment
- Film Tourism and exemption of entertainment tax in some states
- “Incredible India Campaign” – Promoting Indian Cinema in International Film festivals and globally
- Film treaties signed with 11 countries with key benefits such as co-production recognition for India and requirement to employ locals

Capacity Building
- Mandate to create 1.2 million skilled workforce by 2022 in the sector
- Veteran actors and film makers collaborate with government by offering film courses, training lectures and holding workshops.
- Animation and visual effects courses for enhanced technical skill development

Piracy
- Research and multi-media campaigns on Piracy
- Training programs for relevant authorities on Copyright Act
- Inclusion of anti-piracy awareness material in school curriculums

Digitisation
- Wider and quicker distribution across regions
- Reduction in Piracy due to simultaneous release of movies on the same day
- Reduction of printing cost for filmmakers. Increased penetration of content resulting in over INR 1 billion in boxed office revenues
- Superior quality of images in the Cinema and access to new technologies for viewers

How can PwC help?

We draw on the experience of our network of firms and best practices in mature industries to deliver a wide range of services such as:

- Business plans and investment appraisal
- Business Structuring & Corporate Governance
- Fund raising & Deals Advisory
- Data Analytics
- Engaging with the tax authorities
- Tax planning and structuring e.g. IP rights and location, choice of financing/holding vehicles in deals etc.
- Ongoing tax compliance support
- Support in finance and accounting services
- Voluntary Assets Income and Declaration Scheme on-boarding and support (tax amnesty, advice on disclosures etc.)
- Partnerships with international film festivals
- Publication of industry materials

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