

# 2025 WORLD MUSIC DAY:

HIGHLIGHTING THE COLLECTIVE  
MANAGEMENT REGULATIONS, 2025  
AND ITS PROSPECTS IN THE  
MUSIC ECO-SYSTEM

---

*Intellectual Property Insights*



**Pages**

## **C O N T E N T S**

**2 Introduction**

---

**2 The Collective Management Regulations, 2025**

---

**3 Key Highlights of the Regulations**

---

**7 Potential Positive Impact on the Music Industry**

---

**8 Conclusion**

---



## 1. Introduction

The theme for World Intellectual Property Day, 2025 was “Feel the Beat of IP” aimed at creating awareness around the valuable role music plays in the society and the need for creators and all relevant stakeholders in the industry to be adequately protected and compensated for their works. In line with the theme of the World Intellectual Property Day, and in commemorating this year's edition World Music Day, we will analyse the recently released Collective Management Regulations, 2025 (the “Regulations”) by the Nigerian Copyright Commission (the “NCC”) and its potential impact on securing the rights of music owners and rights holders in Nigeria.

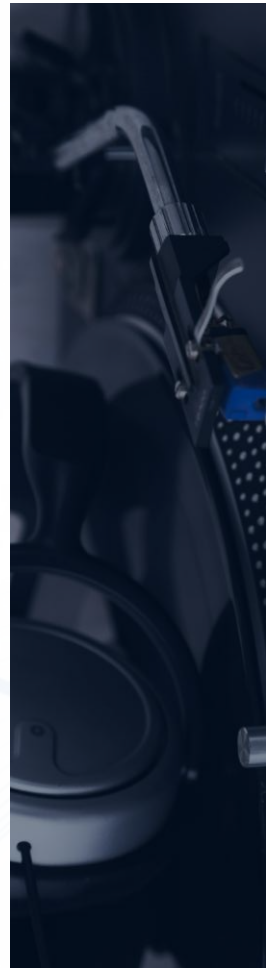
## 2. The Collective Management Regulations, 2025<sup>1</sup>

Less than two years since the Copyright Act, 2022 (the “Act”) was signed into law, the NCC exercised its powers under the Act to issue regulations that will further the aims and objectives of the Act by promulgating the Regulations on Tuesday, 28th January 2025. The Regulations, which revoked the Copyright (Collective Management Organisations) Regulations, 2007, aim to definitively outline a guide to copyright owners, works users, relevant stakeholders, and the public on registration, membership, management and obligations of Collective Management Organisations (“CMO” or “Organisation”).

A CMO is an organisation or association of copyright holders and owners that aims to streamline the administration of copyright works to ensure more efficiency in the granting of licenses to users and the collection of revenue for the rights holders. CMOs are an essential part of the music industry. Music is licensed, used and played consistently and repeatedly in different ways – in public spaces, events, parties, bars, restaurants, gyms, streaming platforms, digital downloads, and so on. With this much usage, rights owners, including song writers, composers, producers, instrumentalists, singers, vocalists, performers, publishers and record labels, carry a heavy burden to identify and track use and generated revenue. CMOs exist to perform these cumbersome tasks on behalf of

---

<sup>1</sup> Collective Management Regulations 2025 (promulgated by the Nigerian Copyright Commission pursuant to its powers under sections 78(2)(d), 88(6)(c), 97(1) (b) &(c) of the Copyright Act, 2022.





rights holders. The major duties<sup>2</sup> of CMOs are to:

- i. Monitor the exploitation of the rights entrusted to them and the use of works associated with those rights.
- ii. Negotiate and grant copyright licences on behalf of copyright owners – these licences serve to grant permission to play music publicly in all forms.
- iii. Collect and distribute royalties which accrue from the use of copyright works – this would include mechanical, performance and other publishing royalties for rights holders in musical compositions and neighbouring rights royalties for rights holders in the sound recordings.
- iv. Assist members to enforce their rights under the Copyright Act.
- v. Provide social, cultural and educational services for the benefit of its members

### 3. Key Highlights of the Regulations

The Regulations serve as a framework for the operation of CMOs in Nigeria. Its key features are:

- i. **Procedure for obtaining approval to operate as a CMO:** In addition to the conditions stated in section 88 of the Act, the Regulations further require any company that wishes to operate as a CMO to submit a signed consent of at least 100 copyright owners who belong to the class of rights of which the company seeks approval to operate as a CMO. This signed document is expected to be accompanied by a certificate of registration from the Corporate Affairs Commission (the company must be limited by guarantee), the Memorandum and Articles of Association of the company, and a statement indicating the class of rights or category of right's owners in respect of which the company intends to function.<sup>3</sup>

It is pertinent to state that the NCC is not obliged to grant approval to a company to operate as a CMO where there is an already approved company that operates in the same class or category of works.<sup>4</sup>

---

2 The duties required of CMOs under the Collective Management Regulations are provided in Regulation 2.

3 Regulation 3.

4 Section 88(3), Copyright Act, 2022.



Approval to operate is valid for five years in the first instance and may be renewed every three years. However, the NCC reserves the right to revoke a subsisting approval on its own motion or upon application of an interested party if:

- a. The CMO no longer possesses the legal status which justifies it to continue operation as a CMO
- b. The CMO no longer acts for or represents the copyright owners in the class of works in respect of which approval was granted to it.
- c. The NCC is aware of facts unknown or not disclosed by the applicant at the time of approval, which if known to them, may have constituted a ground for refusal of the application.
- d. The CMO is suspended and has, within six months of the suspension, failed to comply with the directive or sanction which led to the suspension.<sup>5</sup>

- ii. **Membership of CMOs and Rights of Members:** Any right owner of the category of works to which the CMO is approved to operate is eligible to become a member, subject to fulfilling conditions set by the CMO in its Articles of Association and internal policies.<sup>6</sup>

CMOs have a responsibility to provide information to members about eligibility, procedure, and terms of membership and where the information may be found, nature and scope of rights transferred to the CMO, how a member may restrict the authority of the CMO to act on his behalf, conditions and implementation of termination of membership, what happens in the event of death of a member or dissolution of a corporate member, rules governing meetings, and any deduction policies.<sup>7</sup>

CMOs have the liberty to allow collective membership or membership through an agent. Hence, a group of people, an association or an agent may join a CMO as a member to represent the interest of its members or principal.<sup>8</sup>

---

5 Regulation 3(8)

6 Regulation 6

7 Regulation 7(1)

8 Regulation 7(2)



- iii. **Relationship with foreign CMOs:** Since CMOs can only operate in a given territory, rights owners who exploit their works in other jurisdictions will be required to be affiliated with other CMOs in those foreign jurisdictions. This general principle will give rise to practical inefficiencies. Hence, the Regulations grant CMOs the opportunity to enter into agreements (either reciprocal or not) with foreign CMOs to administer the rights of its members in those jurisdictions or for those foreign CMOs to administer the rights of its members in Nigeria.<sup>9</sup>
- iv. **Prescribed governance structure:** CMOs are required to have the following organs:
  - a. A General Assembly (the “Assembly”) which will comprise all members of the Organisation. The Assembly is tasked with several responsibilities, including the appointment of a Company Secretary for the CMO.
  - b. A Governing Board (the “Board”) appointed by the General Assembly which will be responsible for making and implementing the policies of the organisation. The Board is to appoint a Chief Executive Officer responsible for day-to-day management of the CMO.<sup>10</sup>
- v. **Split and Holding Accounts:** The Regulations ensure that income belonging to rights owners are not mixed with other income of the CMO by mandating all CMOs to have a split account where royalties and revenue that is to be distributed is held. Also, holding accounts have been introduced to hold royalties and revenue that are unclaimed or, for one reason or another, cannot be distributed. These monies are to be held for at least 7 years.<sup>11</sup>
- vi. **Revenue Deductions:** CMOs are only permitted by the Regulations to deduct administrative fees not exceeding 30% of total royalties collected during the year of deduction from royalties distributable to its members. Only upon the approval of the NCC after a prior written application by the CMO accompanied by a resolution of the General Assembly can a deduction of more than 30% be made.<sup>12</sup>

---

9 Regulation 13

10 Regulation 17

11 Regulations 20-21

12 Regulation 25



vii. **Complaints and Dispute Resolution Procedures:** CMOs are mandated to make its procedures for dealing with complaints available to its members upon request. They are also required to respond to any complaints by their rights holder members in writing, and where any complaint is rejected, reasons for such rejection must be advanced to the member within 30 days in writing.<sup>13</sup>

Furthermore, if a dispute arises between a CMO and a user (licensee) or another CMO regarding the performance of its functions, such dispute may be referred to a Dispute Resolution Panel established under section 90 of the Act.<sup>14</sup>

viii. **Provision of Forms and Templates:**<sup>15</sup> The Regulations in its First Schedule provides the forms in which applicant companies are to adopt in seeking approval or renewal of approval to operate as a CMO. The forms provided are:

- a. *FORM NCC/CMR 1 (Application for Grant of Approval):* This form is to be filled by a company that intends to operate as a CMO and submitted to the NCC alongside the certificate of registration from the Corporate Affairs Commission (the company must be limited by guarantee), the Memorandum and Articles of Association of the company, a statement indicating the class of rights or category of right's owners in respect of which the company intends to function, and a signed consent of at least 100 copyright owners who belong to the class of rights of which the company seeks approval to operate as a CMO.
- b. *FORM NCC/CMR 2 (Directors' Undertaking of Compliance):* This document is required to be signed by all directors of an applicant company undertaking that the company shall comply with the provisions of the Act and all enabling Regulations and directives of the Commission.
- c. *FORM NCC/CMR 03 (Application for Renewal of Grant of Approval):* Upon expiry of an approval given by the NCC to an applicant company desirous of operating as a CMO, such company

---

13 Regulation 26(1-2)

14 Regulation 26(3)

15 First Schedule



may fill this form to apply for the renewal of grant of approval.

- ix. **Fees and Administrative Fines:**<sup>16</sup> The Second Schedule to the Regulations prescribes fees and fines for certain activities and contraventions of the Regulations respectively. The fees include a NGN1,000,000 fee for application for approval, NGN500,000 for application for renewal of approval, and NGN100,000 for issuance of a certified true copy of (approval) certificate.

#### 4. Potential Positive Impact on the Music Industry

The benefits of an efficient and properly regulated collective management structure in the music industry cannot be overstated. CMOs play an irreplaceable role in the industry by:

- i. **Ensuring Practicality in the Administration of Music Licensing:** There are numerous rights holders in the music industry, and an even greater number of songs. It will be unrealistic to expect music users to seek and obtain licenses from each rights holder in every song to legally exploit the songs. To avert this cumbersome exercise, CMOs make it less daunting for music users to obtain licenses to use songs in the CMO's catalogue by paying a single license fee determined by the CMO.
- ii. **Securing Income and Increasing Profitability for all Rights Holders in the Industry:** CMOs ensure that royalties are not only collected but also distributed to rights holders from license fees paid by music users. These royalties can serve as significant profit for rights holders, ensuring that they reap the fruits of their creativity and labour.
- iii. **Eradicating or Significantly Reducing Illegal Use of Music:** In Nigeria today, music is used and played indiscriminately, especially in public spaces. With a robust collective management structure, rights holders would be able to track usage of their works and enforce their rights against unlicensed use of their songs.



- iv. **Boosting Investment Opportunities for Rights Holders:** Music creators and owners in Nigeria miss out on investment opportunities from potential investors, record labels and publishers partly due to the unprofitability of the Nigerian market. This unprofitability is a direct result of unauthorised use of music and piracy. CMOs in securing these rights will contribute to bolstering the chances of greater investment in the industry.
- v. **Contributing to Growth of the Country's Economy:** Over the years, Nigerian music has become mainstream worldwide. However, the recorded success has not made a major impact on the growth of the Nigerian economy. The Nigerian market is neglected because it is not viewed as profitable. A proper collective management system will not only secure the revenue of creators and rights holders; it will enable the country benefit from the success of its home rights holders.

## 5. Conclusion

The provision of the Regulations by the NCC may well prove to be a good development in the quest to reduce the revenue gap in Nigeria's music industry. Rights holders within the industry continually seek opportunities abroad despite having a larger support base in Nigeria because of the lack of structures that secure their rights and income. This move by the NCC is laudable and encouraged, and it is hoped that rights holders can take advantage of it to strengthen intellectual property protection in Nigeria.



## AUTHORS



**Eunice Alasa**  
*Intellectual Property Unit*



**Okenna Onyelu**  
*Intellectual Property Unit*



**Chinedu Ajah**  
*Intellectual Property Unit*



## Contact

### LAGOS

Kenna Place  
8, Ogunyemi Road, Palace Way, Oniru  
PO Box 73002, Victoria Island, Lagos

### ABUJA

1st Floor, Novare Central  
Plot 502 Dalaba Street,  
Wuse Zone 5, FCT 900285, Abuja

### ENUGU

3 Emmanuel Ngwu Street,  
Thinkers' Corner,  
Enugu, 400001

+234 811 395 1052, +234 811 395 1053  
[counsel@kennapartners.com](mailto:counsel@kennapartners.com)

