

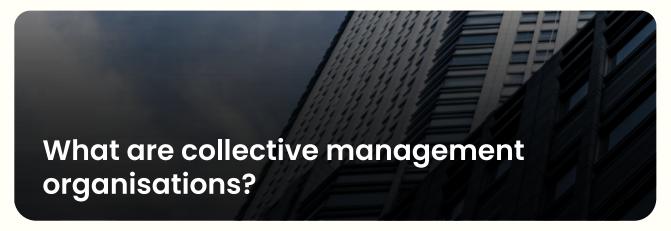
# A New Era For Copyright Management



## Introduction

As copyright industries continue to evolve in the digital age, effective rights management has become more critical than ever. In response, the Nigerian Copyright Commission ("the Commission" or "the NCC") has introduced the Collective Management Regulations, 2025, issued pursuant to the Copyright Act, 2022, to strengthen the governance of collective rights administration in Nigeria. This marks a significant regulatory shift, as the new Regulations repeal and replace the long-standing Copyright (Collective Management Organisation) Regulations, 2007, which guided the operations of CMOs for nearly two decades.

The Regulations establish clear goals, codify the status and functions of Collective Management Organisations (CMOs), and strengthen their internal governance structures. It also enhances members' rights and obligations, while granting the Nigerian Copyright Commission expanded supervisory powers. This article provides an overview of CMOs and their role in copyright administration, outlines the accreditation process under the new Regulations, examines key changes from the 2007 framework, and highlights opportunities for CMOs under the updated regulatory regime.



The concept of Collective Management Organisations is not new; it began in 1851, when the first CMO was established in France. The model has since been adopted in various jurisdictions around the world and established in the Nigerian copyright system under the Copyright (Collective Management Organization) Regulations, 2007.

Collective Management Organisations, or CMOs as they are commonly known, are organisations that represent copyright owners with the primary aim of negotiating and granting licenses and collecting and distributing royalties for copyright works.<sup>2</sup> CMOs in Nigeria are governed by the NCC under the Nigerian Copyright Act, specifically Section 88, which makes provision for the establishment, approval, and operational Regulations of CMOs.

JACKSON, ETTI & EDU — 0

<sup>&</sup>lt;sup>1</sup> The concept of Collective Management Organisations (CMOs) dates back to 1851, when the first CMO was established in France following a lawsuit brought by Paul Henrion, Victor Parizot, and Ernest Bourget—with the support of their publisher—against a cafe-concert in Paris. See Desmond Osaretin Oriakhogba, "Collective Management of Copyright in Nigeria: Should it Remain Voluntary, May it Be Mandatory or Extended?" (Available at (PDF) Collective Management of Copyright in Nigeria: Should it Remain Voluntary, may it Be Mandatory or Extended? ) Accessed 20 May 2025.

<sup>2</sup> According to Section 88 of the Nigerian Copyright Act 2022, a "Collective Management Organisation" is defined as an organisation representing copyright owners, whose principal objectives include the negotiation and grant of licences, as well as the collection and distribution of royalties in respect of copyright works.

Currently, the Nigerian Copyright Commission (NCC) has licensed three collecting societies to administer and collect royalties on behalf of their members. These are the Audio-Visual Rights Society (AVRS), which represents rights in cinematograph films; the Musical Copyright Society of Nigeria (MCSN), responsible for musical works and sound recordings; and the Reproduction Rights Organisation of Nigeria (REPRONIG), which serves the literary and publishing sectors.

### CMO Accreditation Process under the 2025 Regulations and Copyright Act

Under the Nigerian Copyright Act, 2022 and the 2025 CMO Regulations, the accreditation process for a CMO is structured to ensure legitimacy, transparency, and effective representation of copyright owners. This section outlines the procedures and legal requirements for the accreditation of Collective Management Organisations (CMOs) as prescribed under the 2025 Regulations and the enabling legislation. It highlights the key steps, conditions, and authorities involved in granting and maintaining accreditation.

### **Eligibility and Application Requirements**

To be eligible for approval, the organisation must be incorporated as a company limited by guarantee, under the Companies and Allied Matters Act, and formed with the primary objective of managing copyright on behalf of owners, including negotiating licences, collecting royalties, and distributing them.

When applying for approval, the organisation must submit the following to the Commission:

- Certificate of registration.
- Memorandum and Articles of Association.
- A statement of the class or category of rights it intends to manage.
- Signed consent of at least one hundred copyright owners from the relevant class of rights.

The application must be submitted in the prescribed form as provided in the First Schedule to the 2025 Regulations.

### Consideration and Approval by NCC

NCC will approve if satisfied that the organisation represents a substantial number of copyright owners in the category of works concerned and the organisation complies with all terms and conditions prescribed under the law and accompanying Regulations. The approval should not result in the duplication of efforts. This means that, where a CMO already exists for a category of works and is deemed effective, NCC shall not approve another CMO for that category. NCC also has the discretion to assist in establishing a CMO if it considers it expedient to do so for any category of works.

### Term of Approval

An approval granted to a CMO is valid for five years in the first instance; the approval is renewable every three years thereafter, subject to compliance with the Regulations.

JACKSON, ETTI & EDU \_\_\_\_\_\_\_\_\_0

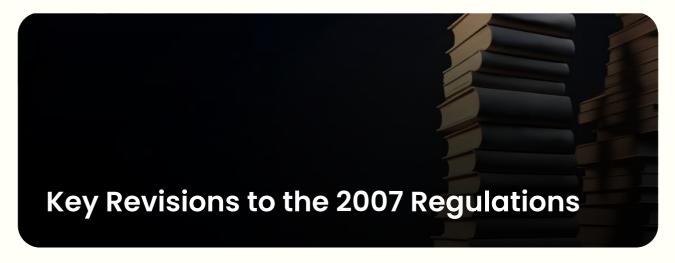
### Operation Without Approval is Prohibited

Any individual or group acting as a CMO without NCC approval commits an offence. The penalties include a minimum fine of N1,000,000 [One Million Naira], imprisonment for at least five years, or both for individuals and for corporate entities, a minimum fine of N5,000,000 [Five Million Naira].

### Licensing Arrangements for Non-Members

Though a CMO typically represents only its members, it may issue licences for works by non-members, provided that:

- The works are in the same category as those that the CMO is approved to manage.
- The copyright owners are not members of any other CMO.
- No more than one CMO is approved for that category.
- The owners have not opted out in writing.
- There is no discrimination in licensing tariffs or royalty distribution between members and non-members.



- a. **Function of CMOs:** The new Regulations clearly outline the functions of Collective Management Organisations (CMOs), a detail that was absent from the previous framework.<sup>3</sup> Key functions now include collecting royalties from the use of copyrighted works, distributing these royalties to copyright owners, assisting members in enforcing their rights under the Copyright Act, as well as other related duties.
- b. **Duration of Approval:** The Regulations now make provision for approvals to be granted for five years initially and renewable every three years.<sup>4</sup> This is a significant step up from the previous regime, which had made provision for an approval period of three years with renewals for periods of up to two years. Additionally, the timeline to initiate renewal has been reduced from six months before expiration of the license to three months prior. The longer approval cycle reduces administrative burden, allows CMOs to focus more on service delivery and member outreach, and signals a more long-term commitment on the part of the NCC to institutions that have passed the regulatory threshold.

 $<sup>^3</sup>$  Regulation 2, Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>&</sup>lt;sup>4</sup> Regulation 5, Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

- c. Specific Consent Requirements for Rights Management: The 2025 Regulations set more defined and stringent Regulations for mandates granted to CMOs. Right-holders are now allowed to give explicit written consent for each specific right, category of rights, or type of work they entrust to a CMO. The Regulations also allow right owners to utilize multiple CMOs, provided that the same rights are not assigned to more than one organisation in the same territory. This is a laudable introduction as it gives autonomy to members on the exploitation of their rights.
- d. New requirements for renewal of license: Under the 2007 Regulations, CMOs were only required to provide the list of members and current repertoire of works administered by the CMO for the renewal of their CMO license. The 2025 Regulations introduce additional key requirements such as: a general report of its activities, a statement of money collected and distributed as royalty. We believe that these new requirements are designed to ensure that a CMO is not just formally registered, but actively functional and genuinely serving the interests of its members as intended to qualify for renewal.
- e. Withdrawal of Membership or Mandate: The sole requirement for withdrawal from a CMO was for members or right holders to give notice to the CMO. The new Regulations have expanded the provision, providing clarity on this process. The Regulations provide that any licensing agreements entered by the CMO before or at the time of withdrawal remain effective until the end of the financial year in which the notice of withdrawal is given.<sup>6</sup> Furthermore, the withdrawing member or right holder continues to be entitled to a share in royalty distributions and to administrative and financial information from the CMO for the remainder of that financial year, enjoying the privileges and rights of membership until that time.<sup>7</sup>
- f. **Weighted and Proxy Voting:** The Regulations now allow CMOs to provide for weighted voting in their internal rules for members based on objective criteria such as size of catalogue or amount of royalties earned on a member's individual repertoire. Members are also allowed to vote by proxy, thus enabling members to assign their vote to another individual in their absence from meetings.<sup>8</sup>
- g. Formal Channel for Reporting Misconduct: A formal channel must be established by the CMO through which members can report any wrongdoing or misconduct either to the board of the CMO or directly to the Nigerian Copyright Commission, to uphold accountability and good governance.<sup>9</sup>
- h. **Right of Members:** The Regulations significantly strengthen the rights of members in CMOs. They require CMOs to possess clear internal rules setting out members' rights, voting procedures, eligibility, and participation in decision-making.<sup>10</sup> Members are provided with more access to vital information, like detailed reports on royalty collections, deductions made, if any, and governance matters, to provide transparency and confidence.<sup>11</sup> In addition, CMOs are obligated to give members regular notice and keep current contact information of members, facilitating continued communication and exchange between the organisation and members.<sup>12</sup>

<sup>&</sup>lt;sup>5</sup> Regulation 8, Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

Regulation 10(2), Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>&</sup>lt;sup>7</sup> Regulation 10(3), Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>8</sup> Regulation 11(2)-(3), Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>9</sup> Regulation 11(8)-(9), Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

Regulation 11(1), Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>&</sup>lt;sup>1]</sup> Regulation 11(4)-(5), Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>&</sup>lt;sup>12</sup> Regulation 11(6)-(7), Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

CMOs are also mandated to establish a formal channel through which members can report any illegal or unethical practice to the governing board of the CMO. Where the members are not satisfied with the resolution, they will have recourse to the Commission to uphold accountability and good governance.<sup>13</sup>

- i. Avoidance of Conflict of Interest: The Regulations introduce a new provision on conflict of interest. CMOs are required to have clear internal policies for avoiding conflicts of interest. These standards mandate that members of the governing board disclose any potential conflicts and refrain from voting on related matters. The Regulations also prohibit board members from serving on more than one CMO board concurrently, entering into contracts with themselves or immediate family members, and holding dual positions such as serving as the CEO and as a principal member of the management team. These measures are intended to promote transparency, integrity, and good governance in CMOs.
- j. **Split Account System:** The Regulations also introduce a new provision on split accounts. It requires CMOs to maintain a split account system, under which royalties collected on behalf of rights holders are kept in separate accounts, segregated from any other funds or revenue. This separation will promote improved financial transparency and accountability, and shield members' royalties from commingling with other organisational funds.
- k. **Dispute Resolution Framework:** The Collective Management Regulations set out a comprehensive new dispute resolution system. Instead of disputes going directly to NCC, CMOs are now required to have clear internal complaints procedures, which they must provide to members on demand. They are also required to address any complaints in writing within 30 days, providing full reasons if a complaint is refused. In addition, Section 90 of the Copyright Act, 2022 provides that disputes involving CMOs, whether between different CMOs or between a CMO and a user, are to be resolved by a Dispute Resolution Panel (DRP). This formalized mechanism is expected to guarantee transparency, fairness, and prompt resolution of disputes within the collective management system.
- I. Codification of CMO Fees: The revoked Regulations stipulated that the fees paid by CMOs were "prescribed from time to time by the Commission," which was plagued by much uncertainty and inconsistency. The Regulations now address this by setting out a clear and comprehensive fee regime, which is expressly outlined in the Second Schedule to the Regulations. This codified approach brings transparency and predictability to the fee regime and enables CMOs and their members to know exactly what fees to expect.<sup>19</sup>

<sup>13</sup> Regulation 11(8)-(9), Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>&</sup>lt;sup>14</sup> Regulation 19 , Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>15</sup> Regulation 20, Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>&</sup>lt;sup>16</sup> Regulation 26(1),Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>17</sup> Regulation 26(2), Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>18</sup> Regulation 26(3), Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>19</sup> Regulation 29, Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

- m. Royalty Distribution: The Regulations introduce a mandatory formal distribution policy, which must be approved by members, providing clear and detailed guidelines on the distribution of royalties. This policy establishes the basis upon which each member's entitlement will be determined, the frequency and method of distribution, and prescribes any administrative charges or deductions to be made before effecting payments.<sup>20</sup> This represents a significant improvement on the earlier regulatory framework by enhancing transparency and ensuring that members are better informed about the management of their royalties. Furthermore, CMOs are now required to distribute and pay all collected royalties within three months after the end of the financial year in which they were collected, unless there are justifiable and objective reasons for delay. This provision implies that royalty distribution must occur at least annually, with the option for CMOs to adopt a more frequent payment schedule if desired.<sup>21</sup>
- n. Revenue Deductions: The Collective Management Regulations preserve the cap that restricts administrative expenses to a maximum of 30% of the annual royalty receipts, consistent with the previous regulatory regime. However, a more rigorous approval process for any excess above this has been introduced by the Regulations. Specifically, any request to exceed the 30% limit must be supported by a resolution passed by the general assembly of the CMO before it is approved by the Commission. This added layer of supervision encourages transparency and collective accountability in the CMOs in the use of administrative costs, protecting the interests of rights holders.
- o. Sanctions: The Regulations established a clear, graduated enforcement framework to encourage compliance. It typically begins with a formal notice of compliance, <sup>22</sup> which offers the organisation an opportunity to correct any issues. On further non-compliance, sanctions are imposed by the NCC, ranging from a caution or financial penalty to suspension or disqualification from office in a CMO.<sup>23</sup> Non-compliance with imposed sanctions may result in stricter penalties, such as suspension or permanent disqualification. This enforcement mechanism is designed to ensure accountability and maintain the integrity of collective management organisations. .
- P. Data Management & Data Privacy: The Regulations introduce new obligations on the management of personal data. CMOs are now compelled to maintain accurate and up-to-date records for each rights owner for adequate identification and efficient management.<sup>25</sup> CMOs are also obliged to provide high standards of privacy and data protection, complying with all applicable legislation to safeguard their members' and stakeholders' personal data.<sup>26</sup> Beyond maintaining accurate member records, CMOs may now be required to register with the data protection authority, conduct periodic data protection audits, file compliance reports, and implement clear internal policies on data handling, ensuring that the personal data of rights holders is not only used efficiently but also safeguarded in line with national standards.

<sup>&</sup>lt;sup>20</sup> Regulation 24, Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>&</sup>lt;sup>21</sup> Regulation 24(3), Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>22</sup> Regulation 30, Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>23</sup> Regulation 31, Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>&</sup>lt;sup>24</sup> Regulation 32, Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>&</sup>lt;sup>25</sup> Regulation 27(1) Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

<sup>&</sup>lt;sup>26</sup> Regulation 27(2) Collective Management Regulations, 2025 (S.I. No. 17 of 2025)

### **Opportunities**

Currently, only three Collective Management Organisations (CMOs) are approved in Nigeria: Reproduction Rights Organisation of Nigeria (RERONIG) – a collecting society for literary and publishing works; Musical Copyright Society of Nigeria (MCSN) – a collecting society for musical works; and Audio-Visual Rights Society of Nigeria (AVRS) – a collecting society for cinematograph films (i.e., audiovisual works).

The Copyright Act, however, extends copyright protection to six categories of works: literary works; musical works; artistic works; audiovisual works; sound recordings; and broadcasts. This means that while **literary and publishing**, **musical**, **and audiovisual (film)** works are currently represented, there remain **significant gaps** in collective rights administration for the following categories: artistic works, sound recording, and broadcasts.

This presents a compelling opportunity for qualified entities to step in and fill these gaps. Visual artists, performers, producers of sound recordings, and broadcast entities all stand to benefit from specialised CMOs that can negotiate licences and enforce their rights, especially considering the growing global demand for Nigerian creative content. Establishing CMOs for these underrepresented rights categories could unlock significant value, stimulate local creative economies, and ensure fair compensation across the value chain.



A dedicated CMO could license the reproduction, display, and commercial use of artistic works, providing much-needed royalties to visual creators. Globally, separate CMOs exist to collect royalties for the public performance, broadcasting, and digital streaming of sound recordings. The Nigerian market, with its booming music export economy, is ripe for such a structure. Further, broadcasters (TV and radio stations) enjoy copyright protection in the content and signals they transmit. These rights are frequently exploited via retransmissions, public communications, or rebroadcasts. A broadcast-focused CMO could manage rights on behalf of broadcasters, ensuring fair compensation when their content is reused.

Note: It is important to note that section 83(3) of the Copyright Act introduces a caveat to CMO licensing. The Nigerian Copyright Commission will not approve an additional CMO for a particular category of works if it is satisfied that the existing CMO adequately protects the interests of rights holders in that category.



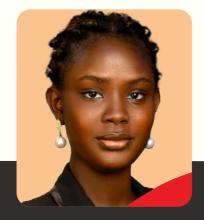
The introduction of the Collective Management Regulations, 2025, marks a transformative shift in Nigeria's copyright administration. This article has examined the evolving role of CMOs, the updated accreditation process, key changes from the 2007 Regulations, and general opportunities for stakeholders. By strengthening governance, enhancing transparency, and reinforcing member rights, the Regulations set a new standard for collective rights management. As implementation unfolds, the real test will be how CMOs, regulators, and stakeholders rise to the challenge of turning regulatory reform into meaningful industry impact.

**Caution:** This article is intended for informational purposes only and does not constitute legal advice. For personalized legal advice and assistance, please contact us directly to schedule a consultation with one of our experienced attorneys.

### **CONTRIBUTORS**



Kodichi Anigbogu Senior Associate Intellectual Property, Deputy Sector Head, TME



Susan Akinade Associate Intellectual Property, Research Lead, TME Sector



Wulanga Lawi Associate Intellectual Property

## **KEY CONTACT**

For further information, kindly reach the contact below:



Yeye Nwidaa Partner yeye.nwidaa@jee.africa

### Telephone

+234 (02) 014626841/3, +234-(02) 012806989

### Victoria Island

RCO Court, 3-5 Sinari Daranijo Street, Victoria Island, Lagos, Nigeria.

### **Accra**

**Email** 

jee@jee.africa

### Abuja

42, Moses Majekodunmi Crescent. Utako, FCT, Abuja

### Yaoundé

Ikeja

1st floor, ereke house, Plot 15, CIPM Avenue CBD Alausa Ikeja Lagos Nigeria

### Harare





in 📵 🚫 jeeafrica | jee.africa