

PUBLIC STATEMENT

ReLPI Clarifies Position on Sound Recording Rights and Copyright Levy

Administration

The Record Label Proprietors' Initiative Ltd/Gte. (ReLPI) has taken note of the recent public statement issued by the Musical Copyright Society Nigeria Ltd/Gte (MCSN) regarding the release of funds under Section 89 of the Copyright Act, 2022, commonly referred to as the Levy on Copyright Materials.

ReLPI welcomes the Federal Government's activation of long-standing statutory mechanisms designed to strengthen Nigeria's creative economy and improve remuneration for creators and rightsholders. We also acknowledge the roles of relevant public institutions and some creative industries stakeholders in advancing this process.

However, in the interest of public clarity, legal certainty, and industry stability, ReLPI considers it necessary to place certain issues in their proper legal and institutional context.

MCSN is currently established to administer and manage rights in musical compositions. While its public statement alludes to broader industry interests, it is important to state explicitly that its legal remit does not extend to the administration or collection of revenues on behalf of sound recording owners. Under Nigerian copyright law, musical works and sound recordings are distinct categories of protected works, each with separate ownership structures, rights, and modes of administration.

The fact that there remains a gap within Nigeria's collective management framework for sound recordings does not confer automatic authority on any existing collective management organisation to assume that role without a clear statutory basis or an

Directors: Peter Oghenejobo | Isioma Idigbe | Michael Odiong | Ibukun Abidoye | Oluwasegun Lloyd-Kuyinu | Thomas Larvene

express mandate from sound recording owners. Such authority can only arise through due process and direct authorisation by the affected rightsholders.

ReLPI's intervention on this matter is therefore not an attack on collective management, nor an attempt to undermine government policy. Rather, it is a principled policy and structural engagement aimed at ensuring that copyright revenues, particularly those attributable to sound recordings, are administered strictly in accordance with the Copyright Act, 2022, and established principles of transparency, accountability, and good governance.

Sound recordings are owned by record labels and self-producing artists, and any levy or revenue attributable to sound recordings must be distributed through mechanisms that are accountable to owners of sound recordings. Any interim or permanent arrangement for sound recording revenues must therefore be grounded in the express authority of sound recording rights owners and subject to appropriate oversight.

ReLPI is a duly registered company limited by guarantee representing record labels, self-producing artistes and owners of sound recordings who have expressly mandated it to act on their behalf. While ReLPI's active membership presently consists of a defined number of entities, those members collectively account for over 55% of Nigeria's recorded music market and represent hundreds of Nigerian artistes, sound recording owners, and a wide network of companies providing critical services across the music ecosystem.

The sound recordings owned, financed, and commercially exploited by ReLPI members include works by some of Nigeria's most prominent cultural exports, including Davido, Wizkid, Burna Boy, Tems, Rema, Ayra Starr, Johnny Drille, Ladipoe, Crayon, Magixx, Adekunle Gold, Omah Lay, ODUMODUBLVCK, 2Face Idibia, Young

Jonn, Blaqbonez, Candy Bleakz, Oxlade, Simi, CKay, Mayorkun, Andre Vibez, Jim Rex Lawson, Bobby Benson, Osita Osadebe, Victor Uwaifo, Celestine Ukwu, and many others. These sound recordings are Nigerian-owned assets that contribute significantly to employment, tax revenues, foreign exchange earnings, and Nigeria's global cultural visibility.

With respect to suggestions that ReLPI's members are "foreign-interest dominated," it is important to recognise that Nigeria's recorded music industry operates within a globalised commercial environment. Nigerian-incorporated entities and lawfully operating subsidiaries or affiliates of international record companies invest substantially in Nigerian talent, employ Nigerian professionals, pay taxes locally, and export Nigerian culture worldwide. Their participation strengthens, rather than diminishes, Nigeria's national and economic interests.

ReLPI also notes that in countries where collective management works well, it is because different types of rights are clearly separated, and each is managed only with the clear permission of the right owners. These systems are transparent, accountable, and usually have separate structures for musical compositions and sound recordings. ReLPI is simply calling for the same clarity, fairness, and effectiveness to be reflected in Nigeria's copyright system.

ReLPI recognises and respects performers' rights as provided under Nigerian law and applicable international conventions. However, the existence of performer interests does not obviate the need for a sound recording owner-mandated and rights-owner-driven framework for administering revenues attributable to sound recordings.

ReLPI's concern regarding the Levy on Copyright Materials is therefore not its legality, but the architecture of its disbursement. Allocations attributable to sound recordings

must be distributed through transparent, auditable, and sound recording owner-mandated mechanisms that inspire confidence across the industry.

Finally, ReLPI cautions against a return to narratives that historically pitted segments of the music industry against one another whenever legitimate questions were raised about transparency, accountability, and governance. The sustainability and credibility of Nigeria's music industry depend on the ability of stakeholders to ask hard questions and pursue reform without being mischaracterised as adversarial.

ReLPI has not rejected collective management as a framework. On the contrary, it has consistently and unequivocally called for the establishment of a properly constituted, representative, and lawful collective management system for sound recording rights, fully aligned with the Copyright Act, 2022 and international best practices.

ReLPI remains committed to constructive engagement with government, regulators, and industry stakeholders to build a transparent, efficient, and globally credible copyright system that fairly remunerates all categories of rightsholders.

For and On Behalf of the Board of ReLPI

Tega Oghenejobo

Chairman