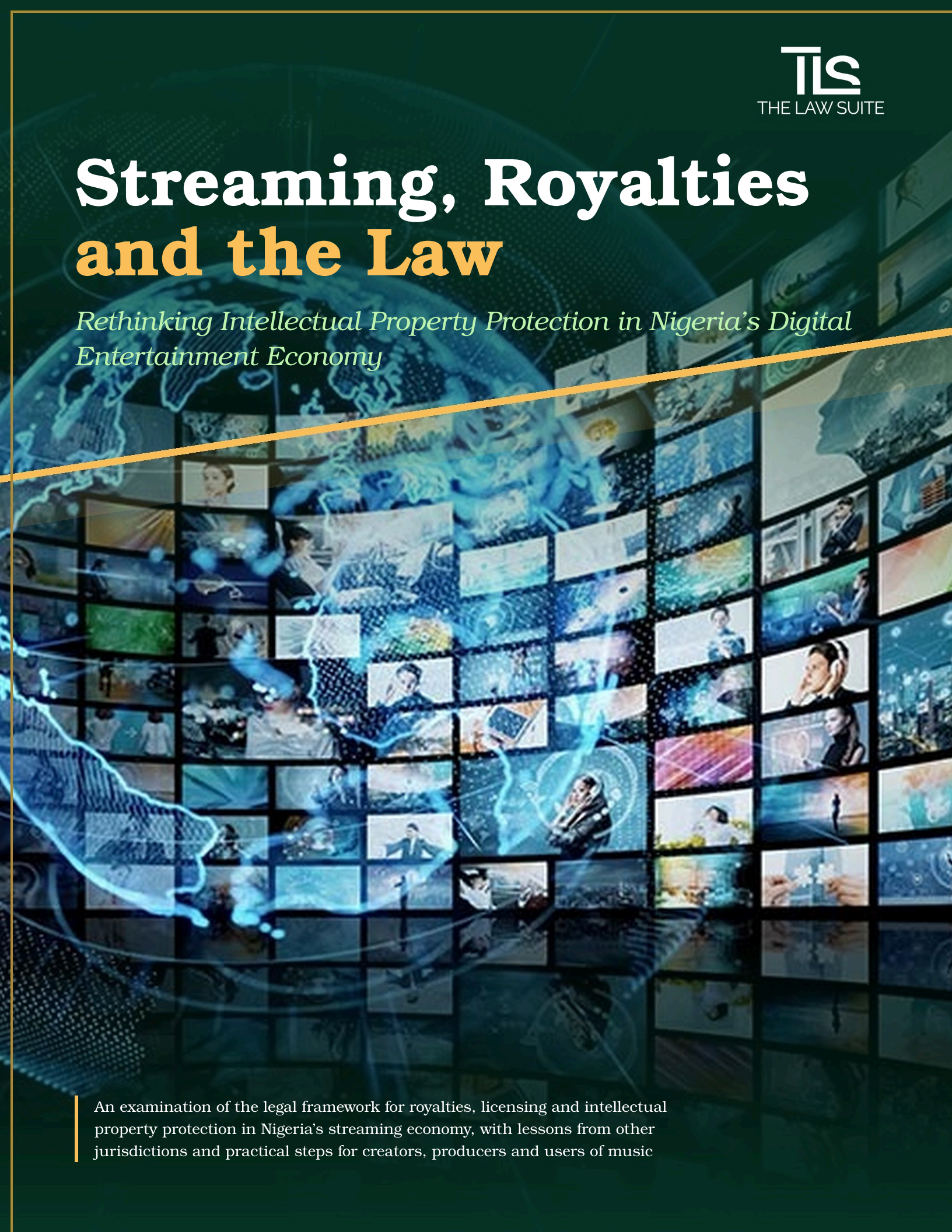
THE LAW SUITE

Streaming, Royalties and the Law

Rethinking Intellectual Property Protection in Nigeria's Digital Entertainment Economy



An examination of the legal framework for royalties, licensing and intellectual property protection in Nigeria's streaming economy, with lessons from other jurisdictions and practical steps for creators, producers and users of music

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01. Introduction

Nigeria's entertainment industry has changed sharply in how audiences consume content and how creators earn from it. Content that once travelled on CDs, DVDs and street sales now reaches audiences through Spotify, Audiomack, Boomplay, Netflix and YouTube. The shift has opened global audiences to Nigerian musicians, filmmakers and comedians. It has also raised hard legal questions about intellectual property protection and the fair sharing of royalties. The scale is no longer small. Spotify reported that Nigerian artists generated more than ₦60 billion in royalties on its platform in 2025, yet a simple division of that figure by the reported number of streams gives roughly ₦2 per stream.[1]

The central question is whether Nigeria's copyright laws, collective management systems and regulators are ready for streaming royalties and online licensing. The Copyright Act 2022 introduced reforms to modernise the regime, yet weaknesses in royalty administration, limited transparency and uneven enforcement appear to continue to undermine creators' rights. This article examines the legal framework for royalties, licensing and intellectual property protection in Nigeria's streaming economy. It draws on lessons from other jurisdictions to identify the reforms the sector urgently needs, and it closes with practical steps that creators, producers and users of music can take now.

02. The rise of streaming

Streaming took shape in the late 1990s and early 2000s, as internet technology and broadband connections spread. A major turning point came in January 2007, when Netflix, then a DVD rental service, launched its streaming platform.[2]

1. Spotify payouts show Nigerian artists earned about ₦2 per stream in 2025, TechCabal (16 March 2026) https://techcabal.com/2026/03/16/spotify-payouts-show-nigerian-artists-earned-about-%E2%82%A62-per-stream-in-2025/ accessed 3 November 2026.
2. Netflix, Wikipedia https://en.wikipedia.org/wiki/Netflix accessed 3 November 2026.



Users could now watch films and television shows instantly on their computers, which laid the foundation for the on-demand model that dominates the industry today.

The biggest change is on-demand access. Audiences no longer wait for a broadcast slot or travel to a cinema. They open a vast library at any hour, from the comfort of their homes. This has altered viewing habits, and binge-watching an entire season in one sitting, once rare, is now common.

In Nigeria, streaming has become one of the main ways to distribute music, film and short-form digital content. Boomplay, Audiomack, Spotify, YouTube and Netflix no longer sit at the margins of the creative economy. For many creators they are the first marketplace. This has widened audiences and revenue opportunities, but it has also exposed weaknesses in how royalties are tracked, collected and distributed. The legal question is no longer whether creators should be paid. It is whether our laws, institutions and commercial practices deliver the money that every stream promises.

03. How royalties are meant to work, and why they often do not in Nigeria

A royalty is compensation paid for the use of intellectual property or natural resources. The terms are set out in a licence agreement, which fixes the royalty rate and limits how the asset may be used. In practice, those limits usually cover territory, duration and the type of use.[3]

Music royalties are commonly divided into performance royalties (for public performance, broadcast and online use), mechanical royalties (earned when a song is reproduced), synchronisation royalties (for use in film, television or advertisements) and print royalties (paid to publishers on sales of sheet music).

3. Royalty definition, AccountingTools https://www.accountingtools.com/articles/royalty accessed 3 November 2026.

The UK's PRS for Music, for example, pays performance royalties through PRS and mechanical royalties through MCPS.[4] In the digital age, streaming royalties have become a major source of income. Rights holders such as artists, record labels and publishers earn royalties each time their music is streamed on platforms like Spotify, Apple Music, Amazon Music and Deezer. Generally, the more a song is streamed, the more it earns.

At a functional level, streaming royalties arise from three kinds of use: (a) performance, meaning public playing or streaming; (b) mechanical reproduction, meaning digital copies and streams; and (c) synchronisation, meaning music used with images. Platforms measure these uses and report them to rights administrators, and payments flow through collective management organisations (CMOs) or through aggregator and distributor agreements. In mature markets, automated reporting, standardised distribution cycles and clear audit rights make the system broadly understandable to creators.

In Nigeria, the picture is more mixed. Streaming income is real, but it is thin on a per-stream basis. On a simple division of Spotify's reported figures, Nigerian artists earned about ₦2 per stream in 2025, and about 58% of Spotify royalties earned by Nigerian artists went to independent artists or labels.[5] Reporting problems also surface at platform level. In December 2024, Sony Music, AWAL and The Orchard reportedly pulled their catalogues from Boomplay amid claims of delayed royalty payments.[6] In July 2026, Boomplay was reported to have signed a new licence agreement with Sony Music Entertainment, although the sources reviewed do not say how the earlier claims were resolved.[7] Complaints about delayed or unclear payments have been widely reported in the Nigerian industry, and artists often lack an easy way to verify what they are owed.[8]

Other jurisdictions show what a better system can look like. In the United Kingdom, PRS for Music publishes its distribution schedule and pays through four main distributions a year, and it has moved to monthly payments for multi-territory online licensing.[9]

> *The UK's PRS for Music, for example, pays performance royalties through PRS and mechanical royalties through MCPS.*

4. PRS for Music, Royalties https://prsformusic.com/royalties accessed 3 November 2026.

5. TechCabal, above.

6. Sony Music Pulls All Tracks From Boomplay Over Royalty Non-Payment Issues, Digital Music News (Ashley King, 9 December 2024) https://www.digitalmusicnews.com/2024/12/09/sony-music-boomplay-royalty-non-payment/ accessed 3 November 2026.

7. Boomplay signe avec Sony Music et muscle son catalogue pour accelerer sa croissance en Afrique, Managers (9 July 2026) https://managers.tn/2026/07/09/boomplay-signe-avec-sony-music-et-muscle-son-catalogue-pour-accelerer-sa-croissance-en-afrique/ accessed 3 November 2026.

8. Davido, Tems, Wizkid albums leave Boomplay due to Sony Music boycott, BusinessDay (Anthony Udugba, 11 December 2024) https://businessday.ng/?p=915886 accessed 3 November 2026.

9. PRS for Music, Paying our members https://prsformusic.com/what-we-do/paying-our-members; PRS for Music moves to monthly streaming royalty payments, RouteNote https://routenote.com/blog/prs-monthly/ accessed 3 November 2026.

In the United States, Title III of the Music Modernization Act 2018, the Allocation for Music Producers Act, allows producers, mixers and sound engineers to receive a share of royalties collected for certain uses of sound recordings, such as satellite and online radio.[10]



04. The CMO problem: COSON, MCSN and the credibility gap

Collective management organisations are bodies approved by the Nigerian Copyright Commission (NCC) to license works and collect royalties on behalf of rights holders. The NCC is the statutory body that regulates copyright matters in Nigeria.[11]

In music, the two principal societies are the Copyright Society of Nigeria (COSON) and the Musical Copyright Society of Nigeria (MCSN), and their rivalry has produced years of litigation. COSON, which emerged in 2010 from the reorganised Performing and Mechanical Rights Society, had been approved by the NCC as the sole CMO for musical works and sound recordings, and MCSN challenged its incorporation. In Suit No. FHC/L/CS/274/2010, Saliu Saidu J of the Federal High Court, Lagos, held on 25 March 2020, according to press reports, that the Corporate Affairs Commission (CAC) had wrongly approved the name "Copyright Society of Nigeria" in the face of an earlier name reservation by members of MCSN.[12]

Developments since then have largely settled the regulatory position.

10. US Copyright Office, Allocations for Music Producers https://www.copyright.gov/music-modernization/amp/; U.S. Copyright: The Music Modernization Act, Fross Zelnick Lehrman & Zissu (13 December 2018) https://www.legal500.com/intelligence/united-states/intellectual-property/us-copyright-the-music-modernization-act accessed 3 November 2026.

11. An Overview of Collective Management Organisations in Nigeria, S.P.A. Ajibade & Co, Mondaq (11 April 2025) https://www.mondaq.com/nigeria/copyright/1609106/an-overview-of-collective-management-organisations-in-nigeria accessed 3 November 2026.

12. Court: COSON illegally approved, The Sun (17 April 2020) https://thesun.ng/court-coson-illegally-approved/; An Overview of Collective Management Organisations in Nigeria, S.P.A. Ajibade & Co, Mondaq (11 April 2025) https://www.mondaq.com/nigeria/copyright/1609106/an-overview-of-collective-management-organisations-in-nigeria accessed 3 November 2026.



The NCC suspended COSON's operating licence in April 2018, and the approval lapsed in May 2019.[13] On 9 July 2026, the Court of Appeal, Lagos Division, dismissed COSON's interlocutory appeal against the refusal of an injunction restraining the NCC, holding that there was no valid approval in existence for the court to preserve.[14] The NCC, for its part, renewed MCSN's licence by a letter dated 16 January 2025.[15] On current reports, MCSN is the only CMO approved for musical works and sound recordings, and COSON's substantive suit challenging the 2007 collective management regulations was reported to be still pending when the appeal was decided.

The dispute may not be fully over. According to a July 2026 commentary, the House of Representatives adopted a motion on 10 June 2026 directing its Committee on Justice to investigate alleged irregularities in copyright administration, including a disputed ₦1.2 billion allocation from the Private Copy Levy Scheme. The same commentary notes that the Federal High Court has upheld the legality of MCSN's approval, that a separate challenge to the levy disbursement is pending, and that none of the allegations had been tested or accepted by the committee at the time of writing.[16]

A new rulebook now applies. The Collective Management Regulations, 2025 (S.I. No. 17 of 2025), published in the Official Gazette on 28 January 2025, repeal and replace the 2007 Regulations. An approval is now valid for five years in the first instance and renewable every three years, whereas the 2007 rules gave three years, renewable every two. A CMO seeking renewal must submit a statement of money collected and distributed as royalties (regulation 5(1)(d)).

13. Nigerian Copyright Commission, Court Dismisses Tony Okoroji's Case Against NCC Director https://copyright.gov.ng/court-dismisses-tony-okoroji-case-against-ncc-director accessed 3 November 2026.

14. Appeal Court Dismisses COSON's Appeal Against NCC, Upholds Refusal of Injunction, Blueprint (26 July 2026) https://blueprint.ng/?p=830569 accessed 3 November 2026.

15. NCC Grants Licence Renewal to Musical Copyright Society Nigeria https://www.adams.africa/nigeria/ncc-grants-licence-renewal-to-musical-copyright-society-nigeria/ accessed 3 November 2026.

16. Nigeria's copyright licensing system comes under parliamentary scrutiny (guest post), The IPKat (July 2026) https://ipkitten.blogspot.com/2026/07/guest-post-nigerias-copyright-licensing.html accessed 3 November 2026.

Administrative deductions may not exceed 30% of the royalties and income received in a year, unless the NCC approves a higher figure on a written application backed by a General Assembly resolution (regulation 25).[17]

The long dispute carries a wider lesson. Governance fights and regulatory interventions have damaged confidence in the sector, and years of competing claims to the same mandate created legal uncertainty and delayed payments. Until CMOs show consistent transparency, clear distribution policies and auditable accounts, many creators will continue to treat streaming as a way to be seen rather than a dependable way to be paid. Users of music have a practical stake too. Broadcasters, event organisers, hotels and bars should confirm a society's current NCC approval before paying a licence fee, because the NCC has stated that an unapproved society is not entitled to license works or collect royalties.[18]

05. Licensing and distribution: Netflix, aggregators and unequal bargaining power

In the entertainment industry, licensing is the legal agreement between the owner of intellectual property and a third party who wishes to use it for a specific purpose, on stated terms. The owner may be paid through royalties or a one-time fee, or sometimes in return for exposure or promotion. The Copyright Act 2022 deals with ownership, transfers and licences in Part III.[19]

Licensing remains the legal backbone of content use in the digital economy. In traditional models, blanket licences allowed broadcasters to use wide catalogues of music, while synchronisation licences were negotiated for specific uses in media productions. In the streaming era, licensing has grown to include digital streaming licences, under which platforms like Spotify and Netflix agree terms with rights holders to distribute content globally.

A licence may be exclusive or non-exclusive. An exclusive licence gives the streamer the sole right to show a film on its platform within a given territory or for a set period. A non-exclusive licence lets the streamer show the film while leaving other platforms free to show it too.

17. Collective Management Regulations, 2025 (S.I. No. 17 of 2025), Official Gazette No. 22, 28 January 2025 https://archive.gazettes.africa/archive/ng/2025/ng-government-gazette-dated-2025-01-28-no-22.pdf; A New Era for Copyright Management, Jackson, Etti & Edu https://a.storyblok.com/f/302089/x/3470c6cf74/a-new-era-for-copyright-management.pdf; Nigeria Copyright Commission (NCC) Issues New Copyright (Collective Management) Regulations 2025, S.P.A. Ajibade & Co, Mondaq (1 August 2025) https://www.mondaq.com/nigeria/copyright/1659610/nigeria-copyright-commission-ncc-issues-new-copyright-collective-management-regulations-2025 accessed 3 November 2026.

18. Nigerian Copyright Commission, Court Dismisses Tony Okoroji's Case Against NCC Director https://copyright.gov.ng/court-dismisses-tony-okoro-jis-case-against-ncc-director accessed 3 November 2026.

19. Copyright Act 2022 (Official Gazette No. 56, 27 March 2023), Part III https://www.copyright.gov.ng/CopyrightAct/CopyrightAct2023FinalPublication1.pdf accessed 3 November 2026.



The arrival of global streamers changed how Nigerian films are financed and distributed, but the position has shifted. In late 2024, Nigerian filmmakers reported that Netflix had cut back its commissioning of Nigerian originals, following Prime Video's earlier move away from funding African originals. Netflix denied that it was leaving Nigeria and said it would continue to invest in Nigerian stories.[20] Streamer deals can bring global reach, but producers may give up long-term revenue through one-off fees or unfavourable splits, and a smaller number of commissions weakens their bargaining position further. In this climate, licence terms such as territory, duration, exclusivity, reversion of rights, reporting and audit rights are the main source of leverage. Aggregators and distributors can offer better reporting, automated splits and quicker payouts, but they charge commissions, and creators should read their terms before signing.

The Copyright Act 2022 is the extant law on these issues. It was assented to on 17 March 2023 and protects several categories of works, including literary works, musical works, artistic works, audiovisual works (the term that replaced "cinematograph films"), sound recordings and broadcasts.[21] Part VII introduces a notice and takedown regime. A copyright owner may send a written notice of infringement to an online service provider (section 54), and the provider is expected to act expeditiously on a valid notice (section 55). A provider that fails to comply may face liability for breach of statutory duty and for the infringement itself.[22] The Act appears to leave the detailed commercial terms of digital licensing, including revenue splits with global platforms, to negotiation between the parties, and its enforcement machinery will be tested in practice.

Evidence from abroad shows that streaming income alone rarely sustains a career.

20. Here's All We Know About Netflix Leaving Nigeria, Zikoko https://www.zikoko.com/?p=336326; Netflix Cuts Funding for Nigerian Movies, BusinessDay https://businessday.ng/life-arts/article/netflix-cuts-funding-for-nigerian-movies-kunle-afolayan/ accessed 3 November 2026.

21. Overview of the Copyright Act 2022, Mondaq https://webiis08.mondaq.com/nigeria/copyright/1314402/overview-of-the-copyright-act-2022 accessed 3 November 2026.

22. Intellectual Property Law in Nigeria: The Copyright Act 2022, SSKöhn Notes (April 2023) https://sskohn.com/wp-content/uploads/2023/06/Intellectual-Property-Law-In-Nigeria-.pdf; The Business of Creativity: Legal Risks in Nigeria's Creator Economy, Mondaq https://www.mondaq.com/nigeria/copyright/1811460/the-business-of-creativity-legal-risks-in-nigerias-creator-economy accessed 3 November 2026.



The UK Intellectual Property Office's 2021 study of music creators' earnings found that streaming revenue is concentrated among top artists. According to a summary from the University of Leeds, one of the researchers' institutions, roughly one million UK streams a month is a rough threshold for a sustainable living, and only about 720 UK artists may have reached it in 2020.[23] The study is UK based, but it is a useful reminder for Nigerian creators to plan for several income streams, including live shows, licensing and collective management income.

06. Piracy, opacity and the per-stream illusion

Two linked problems make streaming a poor measure of creators' welfare in Nigeria. The first is piracy. It is widely reported to divert revenue from legitimate streams to unauthorised downloads and pirate sites, and the national enforcement apparatus is still catching up. Piracy also feeds counterfeiting and fake products, which harm the goodwill of original creators and slow the production and growth of copyrighted works. Creators are not helpless: the takedown procedure in Part VII of the Copyright Act 2022 gives rights owners a direct route to online service providers without going to court first.

The second is opacity. Even where streams are legitimate, per-stream payments are thin, and pro-rata allocation methods used by major platforms are generally seen as favouring high-volume catalogues and large labels. Many local artists are left with small payouts. Poor transparency in platform reporting and in CMO distribution cycles compounds the problem, because creators cannot independently verify what they are owed. Together, piracy and opacity are the structural causes of creator frustration.

07. Comparative lessons: PRS (UK), GHAMRO (Ghana) and SAMRO (South Africa)

Nigeria can borrow from other countries.

23. Music creators' earnings in the digital era, UK Intellectual Property Office (September 2021) https://www.gov.uk/government/publications/music-creators-earnings-in-the-digital-era; Music streaming 'dominated by top artists', University of Leeds https://www.leeds.ac.uk/news-arts-culture/news/article/4926/music-streaming-dominated-by-top-artists accessed 3 November 2026.

PRS for Music in the UK publishes its payment dates and distribution policy, which gives members clarity on timing and methodology.[24] SAMRO in South Africa reported a record distribution of R429.2 million for 2024 and announced a distribution allocation of R630.2 million for the 2025 financial year, after completing a new royalty distribution system in the last quarter of 2024.[25] GHAMRO in Ghana shows both progress and continuing difficulty. It has committed to paying royalties twice a year, introduced personalised royalty statements and adopted the WIPO Connect platform, yet it has reported that most broadcasters do not comply with their royalty obligations.[26] That confirms that a statutory mandate alone is not enough. Operational competence, transparency and regulatory oversight matter just as much. Nigeria must therefore build stronger institutions and better practice together.

08. Practical reforms and steps

1 **Enforce the 2025 Regulations.** The NCC should use its new powers to require CMOs to publish clear distribution policies, regular audited statements and member dashboards that let rights holders inspect usage and allocations. A public, regularly updated list of approved CMOs and their status would also help users of music avoid paying the wrong body. Real regulatory powers and public reporting reduce rent-seeking and rebuild artists' trust.

2 **Fix the data first, then pilot new technology.** Most royalty disputes begin with bad or missing data. Shared works registries, consistent use of standard identifiers and automated reporting should come first. GHAMRO's adoption of WIPO Connect is one regional example. Blockchain registries and smart contracts have been proposed by some industry players as a way to automate payments, but their value in Nigeria is unproven, so they are best treated as small, carefully monitored pilots.[27]

24. PRS for Music, Distribution Policy https://prsformusic.com/-/media/files/prs-for-music/membership/membership-policies/distribution-cycles-and-concept-policy-prs-dist-policy accessed 3 November 2026.

25. SAMRO Reports Record Revenue Growth and Lowest Cost-to-Income Ratio in a Decade https://www.samro.org.za/news/samro-reports-record-revenue-growth-and-lowest-cost-to-income-ratio-in-a-decade; SAMRO reports R630.2m royalty distribution for 2025 financial year, Music In Africa https://www.musicinafrica.net/fr/node/386855 accessed 3 November 2026.

26. GHAMRO to distribute over GH¢1.4m in royalties, Citi Newsroom (21 July 2026) https://www.citinewsroom.com/2026/07/ghamro-to-distribute-over-gh%c2%a21-4m-in-royalties/; GHAMRO Rolls Out GH¢856,700 in December Royalties, GhanaWeb https://www.ghanaweb.com/blogs/soundscape/GHAMRO-Rolls-Out-GH-856-700-in-December-Royalties-Signals-Shift-Toward-More-Transparency-15065; D-Black shocked as only 16 radio and TV stations pay music royalties, MyJoyOnline (October 2026) https://www.myjoyonline.com/d-black-shocked-as-only-16-radio-and-tv-stations-pay-music-royalties/ accessed 3 November 2026.

27. GHAMRO Rolls Out GH¢856,700 in December Royalties, GhanaWeb https://www.ghanaweb.com/blogs/soundscape/GHAMRO-Rolls-Out-GH-856-700-in-December-Royalties-Signals-Shift-Toward-More-Transparency-15065 accessed 3 November 2026.

3 **Encourage transparent distributor models.** Platforms that pair distribution with real-time reporting and automated split payments offer a practical middle path for creators who do not wish to rely solely on CMOs. Government policy should foster a competitive market of compliant distributors and encourage interoperable data standards.

4 **Strengthen anti-piracy enforcement and international cooperation.** Better takedown procedures, cooperation with platforms' global content identification systems and public awareness campaigns will reduce the leakage of value from legitimate streams to unauthorised channels.

09. A practical checklist for creators and producers

1 Register your works and keep titles, credits and splits consistent across every platform and distributor.

2 Before joining a society or paying for a licence, confirm that it currently holds NCC approval.

3 Read your distributor's terms on commission, payout thresholds, reporting frequency and visibility of splits.

4 In film and series deals, negotiate territory, duration, exclusivity, reversion of rights, reporting and audit rights, and be cautious about perpetual buyouts.



5 When you find infringing uploads, send a written takedown notice under Part VII of the Copyright Act 2022 and keep records of every notice and response.

6 Keep your own copies of streaming and CMO statements so you can compare what each source reports.



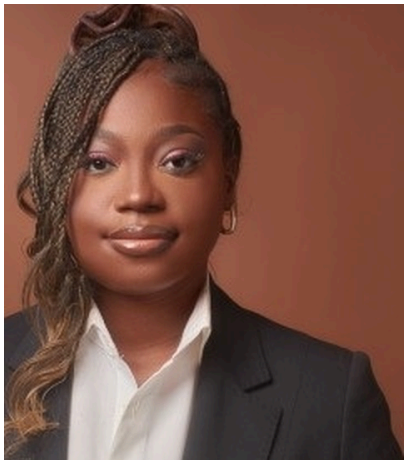
10. Conclusion: bringing law, technology and markets together

The rise of streaming has changed how creative works are commercialised. Nigerian content and talent now stand strong on the global stage, and the Copyright Act 2022 lays an important legal foundation. The 2025 Regulations and the 2026 court rulings give the NCC firmer ground, but rights only become meaningful when institutions and industry practice turn them into real income for creators. That will require more accountable CMOs, clean data and interoperable tracking and payment systems (with any blockchain solutions carefully tested), stricter transparency standards enforced by regulators, and a marketplace in which distributors make accurate reporting central to their dealings with artists. If Nigeria advances on these three fronts, namely clear laws, stronger institutions and smart use of technology, the streaming era can deliver lasting and fair rewards for creators.

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Authorship and Review

Original Author



Esther Iraoya

Intern

Prepared the original work as part of the completion requirements of the TLS Virtual Internship Programme 2025.

Supervised by



Prince I. Nwafuru

Managing Partner

Supervised the Intern during the internship.

Reviewed and Revised by



Emeka Lawrence Okwuokie

Associate

Reviewed, revised and edited the Intern's original work for publication.

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THE LAW SUITE

www.thelawsuite.legal

Office Address:
Block 68, Plot 17 Abike Sulaiman St,
Lekki Phase 1, Lekki 105102, Lagos