



Press Release | 19 February

Artists call for fair distribution of royalties according to the law

The recent distribution of royalties excluded many groups of artists and did not meet legal requirements

19 February 2022, Dar es Salaam: The Creative Industry Network Tanzania (CINT), in partnership with Twaweza, is calling for the government and COSOTA to review their approach to the distribution of royalties to artists.

On 28 January 2022, the Copyright Society of Tanzania (COSOTA) distributed royalties worth TZS 312,290,259 to 1,123 artists for 5,924 works of music covering the collection period of July to November 2021. These royalties were received from seven radio stations.

However this distribution violated both the spirit and the letter of the law in a number of key areas. CINT calls for the government to take its role as a regulator and COSOTA as a collective management organization and therefore a distributor, and for both of them to urgently review the process for distribution of royalties in order to help the creative industries in Tanzania to grow.

The issues highlighted by CINT include:

Distribution of royalties collected between January 2019 and June 2021: Royalties were last distributed by COSOTA in August 2019 covering the period to the end of 2018. However COSOTA are required to distribute royalties at least once per year. In the announcement for distribution of royalties in January 2022, no mention was made of royalties collected between 2019 and 2021 and these royalties have not been distributed.

Royalties paid to musicians only: Thus far royalties have only been distributed to musicians, both in August 2019 and more recently in January 2022. However COSOTA is responsible for all artists and creators of copyrighted works including films, software, visual arts, architecture and writers among others. This approach is unfair to all other artists than musicians and creates divisions within the sector.

Royalties distributed to a sample of musicians: The Copyright and Neighbouring Rights Act requires COSOTA to distribute royalties on the basis of log sheets. These should be collected from across the country from a range of users of creative works. However COSOTA announced that they had used radio logs for some musicians as a sample for the distribution. This is discriminatory, contrary to the law and unclear because there is no way to know how COSOTA decided what royalties to distribute to whom.

Lack of transparency by COSOTA: It is unclear to stakeholders where COSOTA submits its accounts. There is no transparency when it comes to the collection and distribution of royalties. This means that creators of copyrighted works have no way to understand how COSOTA is collecting and distributing money on their behalf. This leads to a breakdown of trust and can create conflict within the sector.

Supporting the arts and culture basket fund: In their announcement about the distribution of royalties, COSOTA informed the public that royalties that had been received from South Africa, which were a relatively small amount, have been transferred to the arts and culture basket fund. This is in violation of

the law which clearly states that foreign royalties need to be paid directly to the relevant content producers. In addition, the law states that a percentage of royalties received can be allocated to a basket fund for artists and their welfare. The arts and culture basket fund has not yet started working and does not as such have any members therefore distributing royalties to this fund violates the requirements of the law.

Absence of a COSOTA Governing Board: Since 2008, COSOTA has not had a Governing Board. This means that there are a number of decisions being taken by the management that violate the law. For example, the distribution of royalties is supposed to be preceded by a general meeting, which was not done.

In view of these violations of the Copyright and Neighbouring Rights Act in the recent distribution of royalties, and recognising the significant contribution of artists and all creators to the country's economic and political development, the Creative Industry Network Tanzania is calling for COSOTA to:

- Stop the distribution of royalties to enable a review of the beneficiaries to ensure they are in line with existing laws and regulations. They should restart the distribution of royalties only once they are satisfied that they have addressed any problematic clauses in these regulations.
- Call a meeting of their members to enable them to make decisions according to their constitution and so that they can review COSOTA's accounts
- Start the process of constituting a board.
- Inform the relevant minister of their responsibility to select the Board Chair for COSOTA
- Clarify the basis of distribution of royalties in August 2019 and recommend a way forward that addresses the challenges raised by that process.

Robert Mwampembwa, Managing Director of the Creative Industry Network Tanzania, said *"We have been advocating to the Government, via the Ministry of Culture, Arts and Sports, to address the challenges with distribution of royalties and the governance of COSOTA for a number of years. It is clear that creators contribute significantly to peace and solidarity in the country as well as to economic growth. They need to be nurtured and have their rights respected. We ask the Government to engage with us to solve these problems for the benefit and development of all Tanzanian creators."*

Aidan Eyakuze, Executive Director of Twaweza, said *"Twaweza works to amplify citizens' voices so that they can be part of decisions that affect their lives. As this example of royalty distribution shows, the voices of artists and creators are rarely considered when decisions about their sector are made. We hope that this united call to review the process of distributing royalties to make it more open and fair will be heard."*

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Notes to Editors

- The Creative Industry Network Tanzania is an entity designed to coordinate and support the creative sector in Tanzania to advocate for an improved and responsive regulatory environment that enables the sector to grow.
- Twaweza works through research, evidence and action to demonstrate how citizens can come together to collectively address their problems and make government work better for them; enable citizens' voices, interests and experiences to be heard and taken seriously in decision-making; and to promote enabling conditions for citizen engagement and government response in Tanzania, Kenya and Uganda. Follow us at Twaweza Tanzania (Facebook), @Twaweza_NiSisi (Twitter), Twaweza East Africa (Instagram).