



MUSIC IN THE DIGITAL AGE

INTERNATIONAL CONFERENCE | DIGITAL TECHNOLOGIES AND ARTISTS' RIGHTS

ATHENS, OCTOBER 22-24, STAVROS NIARCHOS FOUNDATION CULTURAL CENTER

EXECUTIVE SUMMARIES

Music in the Digital Age: Streaming & Artificial Intelligence has been a three-day international forum organized by APOLLON (Greek CMO for musicians' neighboring rights) and FIM (International Federation of Musicians). Against the backdrop of **AI-generated content and the dominance of streaming platforms**, the conference examined how **revenue models, legal frameworks and artistic labor are being reshaped** in a digital economy that prioritizes scale over sustainability.

Bringing together artists, journalists, industry professionals, legal experts, academics, policy makers and technologists, the event focused on three core questions:

- How to build **sustainable and equitable compensation** models in a saturated streaming market?
- How to protect creators' rights when **AI is trained on and competes with their work?**
- What role should legislation play in **securing ethical AI and fairer digital markets** without stifling innovation?

The final session brought together all speakers and delegates to test the ideas from the day against concrete national experiences, and to identify priorities for future action. The discussion revolved around four main axes: remuneration models, industry negotiations vs legislation, transparency & data, and cultural/political strategy.

C. STREAMING | GENERAL DISCUSSION & CONCLUSIONS

1. Equitable Remuneration in Practice – the Spanish Example

- **Paloma López Peláez (AIE, Spain)** clarified how **the Spanish equitable-remuneration right** for “making available” actually works:
 - Introduced into law in 2006, with first distributions in 2012 (for 2010–11).
 - Stabilized and growing: AIE now **distributes every year, with increasing amounts**; in 2024, over €7 million was distributed for making-available rights (phonograms and audiovisual).
 - The right is **collectively managed** once performers’ exclusive rights are presumed transferred to producers.
 - **It covers both featured and session performers**, including foreign artists, because Spain applies national treatment, not reciprocity.
 - Revenues are collected from platforms in Spain but re-distributed internationally via bilateral agreements between CMOs.

Paloma stressed this is not “value destruction” but value re-distribution: performers should not be last in line when dividing streaming income.

2. Pushing Labels to Negotiate – Litigation and UK Experience

- **Horace Trubridge (MU, UK)** argued that **voluntary talks with record labels have failed to deliver a fairer streaming share** for performers, especially session musicians. He proposed a strategic legal pressure point:
 - Many recording contracts contain a **“third-party licence” clause**, granting artists 50/50 of any income from licensing masters to third parties.
 - **Licensing recordings to streaming platforms could legally qualify as such a third-party licence.**
 - **A class action by multiple artists on this basis could force labels to negotiate**, regardless of the sustainability of the labels’ current business model.
- **Naomi Pohl (MU, UK)** summarized the UK streaming inquiry aftermath:
 - **Government pushed for voluntary solutions**, leading to transparency and metadata codes and a creator remuneration process.
 - The labels **eventually offered higher session fees and per diems** (largely secured anyway via union bargaining) and marketing boosts for legacy artists, **but without modern digital royalty rates applied to old contracts.**
 - For MU, this falls far short: **session fee increases are not proportionate** for hits and more streams on low legacy rates simply enrich labels.

Voluntary solutions have failed in UK; unions will now pursue legislation and lawsuits.

3. Competing Models: Exclusive Rights vs Statutory Remuneration

- **Lauri Rechardt (IFPI)** reiterated **IFPI's opposition to streaming-specific statutory remuneration rights** like Spain's:
 - The Spanish right, he noted, **is for performers only**, unlike Rome-style broadcast ER which splits between performers and producers.
 - He argued **such rights undermine exclusive rights** by forcing platforms to buy two separate rights packages (label licence and CMO remuneration), reducing the value of label licences and complicating licensing.
 - **He questioned whether all CMOs are technically ready to process billions of usage lines**, and maintained that free-market licensing of exclusive rights (artist → label → platform) remains the best vehicle for fair value transfer.
 - **He called remuneration rights "value destroyers"**, citing commercial radio's global average payment of ~2% of revenue to performers + labels as a warning of what happens when you cannot say "no" to users.
- **John Smith (FIM)** countered that for performers, non-waivable Rome/WPPT-type rights are **tangible, often substantial income, especially for non-featured artists**. Many feel their exclusive rights have already been devalued through contracts and buy-outs; **statutory rights rebuild value, they don't destroy it.**
- **Ioan Kaes (AEPO-ARTIS)** rejected the "value destroyer" label outright:
 - ER rights add value for performers;
 - **The real "value destroyer" is the recording contract that transfers performers' exclusive rights on unfavourable terms.**
 - On efficiency, he contrasted CMOs vs labels: for every €1,000 paid via a CMO, ~€800 reaches performers, whereas to get the same €800 through a label chain you may need €17,000 paid in (after recoupment, overheads, margins).
 - On data, he argued **many CMOs (e.g. ADAMI) already have greater data-processing capacity than most independent labels**, and that both sectors are "in the data business" and must collaborate, not disqualify each other.
- **Paloma López** added that performer CMOs already operate modern data infrastructures (IPD, VRDB, SCAPR platforms) and demonstrably distribute streaming ER today in Spain, **disproving claims they "can't handle it."**

4. Transparency, Data and Contracts

Several interventions stressed that any model, exclusive or ER, fails without transparency:

- **Laurent Tardif (SNAM, France)** pointed to **Article 19 of the CDSM Directive** (transparency obligation) and noted that **very few member states or regulators have meaningfully enforced it**. With a Directive review due next year, he called for a push to enforce Article 19, giving performers **full visibility into all revenues generated** from their works (including from platform–label “global deals”).
- In response to Philippe Gautier’s demand for openness on label–platform deals, **Lauri invoked competition law constraints**: labels are competitors and cannot freely disclose specific commercial terms without risking antitrust breaches.
- Laurent also raised the metadata gap for non-featured performers: **phonogram identifiers (ISRC) alone don’t list full line-ups**. Lauri acknowledged historic gaps but said streaming and consumer demand have improved credits, and suggested **CMOs and labels must work together on full performer identification**.

5. Cultural Diversity and Streaming’s Functional Role

On cultural diversity and discoverability, **Beat Santschi (Swiss Musicians’ Union)** highlighted:

- In small markets like Switzerland, where **Spotify reportedly has no local staff**, curated playlists for Swiss music may be compiled from abroad (e.g. Germany).
- Given that 70–80% of the market is now streaming, **if local artists are not surfaced in prominent playlists, they effectively “don’t exist”** career-wise, irrespective of per-stream rates.

Xenia Iwaszko-Manning (Spotify) replied:

- Spotify **curates local playlists in all four Swiss languages**, though editors may be based outside Switzerland (e.g. Berlin), reflecting how **many Swiss artists themselves move into larger neighbouring markets**.
- She insisted Spotify aims for a culturally relevant product everywhere, but expressed concern about **legislative quotas or obligations that might distort consumer choice, potentially undermining willingness to pay**.

From another angle, **Ryszard Wojciul (Poland)** argued that streaming has also become de facto broadcasting (people listen to playlists in the car as they once listened to radio). Since performers already have broadcast rights, he suggested that **reconceptualizing some streaming uses as broadcasting could strengthen claims to remuneration**.

6. Political Strategy: WIPO, National Laws and Public Opinion

6.1. International track (WIPO/SCCR)

- John Smith reminded delegates that
 - despite sustained GRULAC efforts (and now an Indonesia proposal), **“Copyright in the Digital Environment” remains only under “Other Matters” at WIPO’s SCCR**, where performers often get seconds or no time to speak.
 - Historically, **progress via treaties is extremely slow** (performer-rights lobbying from 1920s → Rome 1961 → implementation in some countries only in the 1990s).
 - Some delegations (notably the US) insist **these issues should be left to market forces, opposing new treaties on digital remuneration.**

WIPO lobbying is essential but long-term; short- to medium-term gains must come from national reforms and industry agreements.

6.2. National reforms

- **Brazil (via Roberto Mello and earlier Marcos de Souza) and Greece (Tasos Katopodis)** highlighted how national law can rebalance neighbouring-rights splits in public performance:
 - Brazil’s split (performance ER) is 41.7% performers / 41.7% producers / 16.6% non-featured artists.
 - In Greece, discography companies receive 50%, musicians 25%, singers 25%; the Greek union is campaigning for a three-way 33⅓% split and broader law changes. **Without political pressure on governments, discussions alone won’t yield results.**
- ### 6.3. Public communication and youth

- **Maria Irene Monterroso (Costa Rica)** urged unions to **communicate these issues beyond their memberships to digitally native, socially conscious younger audiences (16–35):**
 - **This generation is already mobilized** on climate and social justice; properly framed, fair pay for music creators could also resonate as a justice issue.
 - John Smith acknowledged that while **unions/CMOs have educated members, they have done less to educate fans and the wider public.**

7. OVERALL CONCLUSIONS

Across interventions, a few core conclusions emerged:

- Equitable remuneration for streaming (Spain-style, possibly adapted) is increasingly seen by performers' organizations as a practical, working model, not theory. Data from Spain indicate such rights do not inhibit market growth; the digital market is expanding strongly despite (and with) ER payments.
- There is deep disagreement between labels (via IFPI) and performers' side on whether ER rights "destroy value" or rebuild fair value in a system where exclusive rights have often been contractually hollowed out.
- Transparency and data (Article 19 CDSM, full performer credits, open statistics) are absolutely central: without them no model can be credibly assessed or improved.
- Voluntary, industry-only solutions have largely stalled in key territories (notably the UK). Many unions and artist groups now see legislative intervention and strategic litigation (including potential class actions on third-party licence clauses) as unavoidable.
- Cultural diversity and local-repertoire visibility under global streaming models are critical concerns, especially for small markets; playlists, algorithms and possible regulatory obligations will be central battlegrounds.
- The path forward will likely require a hybrid strategy:
 - persistent lobbying at WIPO/UNESCO and regional bodies,
 - national law reforms (e.g. ER rights, neighbouring-rights splits, AI exceptions),
 - collective bargaining and CMO-union alliances and
 - public campaigns to align fan expectations with the goal of fair pay and sustainable musical diversity.
- As John Smith concluded, unless the industry can "get around the table and come up with creative solutions," pressures will intensify - from courts, legislatures and public opinion - and the streaming economy's legitimacy will remain in question.

