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?

A. STREAMING | THE ECONOMIC REALITIES FOR ARTISTS

The first panel set the tone for the conference by contrasting record streaming revenues with widespread artist dissatisfaction.

1. Keynote by Dinnos Georgountzos, APOLLON Secretary General

Georgountzos argued that streaming has turned recorded music from a product into a **centrally controlled service**, enriching platforms and large intermediaries while most artists receive tiny fractions of a cent per stream. He showed that about 70% of global recorded-music revenue now comes from streaming, yet **only around 10% reaches performers**, with extreme inequality: roughly 0.5% of artists capture 90% of streams, while Spotify no longer pays for tracks under 1,000 annual streams.

He stressed that **non-featured musicians (session players, orchestra members, backing vocalists) get nothing from streaming, despite having remuneration rights in broadcasting. This is due to streaming being treated legally as a "making-available" (on-demand) right, not communication to the public.** He highlighted Spain's model, which grants performers a non-waivable equitable-remuneration right for streaming, and endorsed AEPO-ARTIS proposals for **statutory ER, mandatory collective management, direct non-transferable payments from platforms**, and recognizing algorithmic "radio" as broadcasting. His conclusion: the core issues are labour and power, not technology, and **without structural change, both musicians' livelihoods and musical quality are at risk.**

2. Panel discussion - moderated by Horace Trubridge, musician & activist

- **Ioan Kaes (AEPO-ARTIS)** traced the legal roots of the problem to the mid-1990s WIPO treaties, where **"making available" was created to fight piracy, not to structure remuneration.** Performers received an exclusive right without a built-in payment mechanism, unlike authors. His studies suggest only 4–9% of streaming income values performance itself, and he called for a new, rental-like ER right for performers.

- **Xenia Iwaszko-Manning (Spotify)** emphasized that Spotify legalized the access model, pays about two-thirds of its music revenue to rights holders, and has helped restore industry growth. She argued **pay-per-stream figures are misleading** in a subscription model; the key metric is total payouts, which Spotify leads. She defended the 1,000-stream threshold as a way to recycle otherwise trapped micropayments back to the royalty pool and said Spotify is open to different payout models but needs consensus from rights holders.

- **Lauri Rechardt (IFPI)** highlighted a decade of **strong growth driven by streaming**, rising artist payout shares at majors, and growing indie market share. He stressed that artists now have more formal choices (DIY, distribution, label deals), but **acknowledged breaking artists is harder than ever** in a global attention economy. **IFPI opposes adding a statutory ER right, arguing it would dilute exclusive rights and blunt contractual flexibility.**

- **David Martin (Featured Artists Coalition)** agreed streaming revived a decimated industry but said **unfairness lies in legacy recording contracts and non-transparent label–DSP deals.** **"Choice" is distorted when majors may capture 20–40% more value per stream than DIY routes.** After five years of UK talks (including a rejected performer-fund proposal), **FAC now backs legislative reform and supports user-centric payouts** primarily for fairness, reduced fraud and stronger fan–artist links.

- **Manos Dedevesis (Stay Independent)** described an over-saturated, AI-intensifying market where **young artists are forced to be entrepreneurs, marketers and lawyers while still learning their craft.** Many become one-hit wonders who quickly burn out. His label focuses on educating artists, encouraging fairer master-side splits with musicians and songwriters, and building team-based careers.

3. KEY THEMES

- Streaming is widely acknowledged as having saved the industry financially, but not yet made it fair for most creators.
- There is broad agreement that non-featured musicians and many performers are structurally under-rewarded, and that current legal architecture (especially "making available") is inadequate.
- Stakeholders diverge on solutions: creators and unions lean toward statutory ER and legislative intervention, while labels and Spotify prefer contractual and model tweaks within the current framework.
- Everyone emphasized the need for education, transparency, and maintaining a "critical mass" of professional musicians as essential for a healthy, sustainable music ecosystem.

B. STREAMING | SOLUTIONS FOR PERFORMERS & AUTHORS

The second panel moved from diagnosis to concrete legal and policy solutions for fairer streaming remuneration, especially for non-featured performers, and for protecting cultural diversity.

1. Keynote by Christophe Van Vaerenbergh, PlayRight Managing Director

Van Vaerenbergh argued that while streaming generates around 70% of global recorded-music revenue, **most performers - particularly session musicians - receive nothing from it.** He used the historical example of The Wrecking Crew to show that session players often add decisive creative value, which international instruments like the Rome Convention and WPPT were meant to reward. Today, musicians still get modest, stable one-off session fees, but when the same track is broadcast, they get neighboring-rights income - when it is streamed, they usually get zero, despite their contribution.

He rejected individual contracts as a solution, citing the 2024 "Streams and Dreams II" survey, showing artists fail to secure better terms or revise legacy contracts. Instead, **he advocated a non-waivable, non-transferable collective remuneration right**, managed by performers' CMOs. Belgium adopted such a right when implementing the CDSM Directive in 2022, but the law is now under CJEU scrutiny after challenges by major labels and big tech.

Beyond money, he described **a deeper cultural crisis: music increasingly treated as a financial asset by investors**, with less risk-taking and fewer genuinely new genres. His core message: robust copyright and neighboring-rights frameworks are essential if we are to "take the music back" and ensure artists share in the value they create.

2. Panel discussion - moderated by Christophe Van Vaerenbergh

- **Julie Jueyoung Lee (FKMP, South Korea)** described Korea's exclusive "interactive transmission" right for performers (in law since 2004, applied even earlier via the reproduction right). Designed partly as a social-security-style measure, **it guarantees both featured and non-featured artists ongoing streaming royalties in addition to session fees.** FKMP manages these rights collectively under government-approved conditions, offering legal certainty to platforms while materially improving performers' income and status.

- **Marcos Alves de Souza (Brazilian Ministry of Culture)** recounted a decade of attempts by GRULAC to put "Copyright in the Digital Environment" on WIPO's SCCR agenda, largely blocked by Group B (developed) countries. Frustrated, Brazil is advancing its own streaming bill, which would:
  - Create an **inalienable compensatory remuneration** for all music/audiovisual rightsholders (including performers), regardless of contracts;
  - **Regulate playlists and bot farms** and ban remuneration for AI-generated content;
  - Allow platforms to **deduct performers' shares directly from producer payments.**

Brazil is also pushing these issues at G20, BRICS and UNESCO, arguing the WCT/WPPT treaties are outdated for the streaming / AI era.

- **Tino Gagliardi (AFM, US & Canada)** said there is systemic inequity in streaming, with side musicians particularly disadvantaged. Under WPPT, US performers get remuneration only for broadcast/communication to the public, not for making-available. AFM has negotiated some streaming payments in film/TV and sound-recording agreements, but big tech captures most profits. **He called for a statutory equitable-remuneration right for streaming**, continued pressure at WIPO, and US reforms such as the Protect Working Musicians Act and finally paying performers for terrestrial radio. **He likened repeated conferences without change to "running on a hamster wheel"** and insisted "the time for action is now."

- **Paul Torremans (University of Nottingham)** argued that contracts alone cannot fix the imbalance, given **extreme power asymmetries**. The WIPO Internet treaties mostly gave performers negative rights (to stop uses), useful against piracy in 1996 but insufficient for monetizing streaming. **What is needed is a positive remuneration tool—a statutory right—to rebalance bargaining power.** He criticized UK inaction post-Brexit (no CDSM-equivalent reform), warning that if legislators don't move, **the law drifts ever further from market reality.**

- **Philippe Gautier (SNAM-CGT, France)** presented the French 2022 collective agreement with producers as a partial but concrete improvement:
  - Session musicians receive a **fixed per-track fee plus small tiered bonuses** at high streaming thresholds (7.5m, 15m, 30m, 50m streams).
  - Featured artists receive **a €1,000 flat fee per album plus 11–28% streaming royalty**, depending on deal structure.

The union insisted on a fixed component and on the principle that merely being in the catalogue has value, since **users pay for access to *all* tracks, not only hits.** Gautier stressed that **negotiation was hampered by severe opacity** (e.g. IFPI's claim that 35% of streaming income goes to artists, which even French labels dispute) and said **unions must also wage a major transparency battle**, using tools in the 2019 EU Directive.

3. Collective management, alliances and cultural diversity

- Panelists agreed that **unions and CMOs are natural allies** and increasingly coordinate (e.g. AFM/SAG-AFTRA funds in North America; regular union–CMO meetings in France). Julie Lee emphasized that for performers, **individual licensing in digital markets is practically impossible**, making CMOs essential rather than obstructive.

- On cultural diversity, Christophe cited Belgian data showing the number of locally produced albums in the Top 100 dropping from 64 to 16 once streaming entered the charts, reflecting the **dominance of international stars and curated global playlists.** PlayRight's response—creating combined airplay+streaming charts—has modestly increased local visibility.
- Marcos highlighted UNESCO discussions on a digital environment protocol to the Convention on Cultural Diversity, which would explicitly **allow states to impose local-content promotion and investment obligations on platforms.** Torremans noted that such measures and any new remuneration rights will almost certainly be litigated, but maintained they are necessary if we want both **fair pay and genuine cultural diversity.**

4. KEY THEMES

Across jurisdictions and roles, the panel converged on a few core points:

- Statutory, non-waivable remuneration rights for streaming are increasingly seen as the only realistic way to secure fair pay for performers—especially non-featured musicians.
- Contract-based solutions have largely failed, given persistent power and information asymmetries.
- Some countries (Korea, Spain, Belgium, Brazil, France) are experimenting with legal and collective models that could serve as templates.
- Alliances between unions and CMOs, stronger transparency obligations, and targeted cultural-diversity policies are essential elements of any sustainable, creator-centered digital music ecosystem.

C. STREAMING | GENERAL DISCUSSION & CONCLUSIONS

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.

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 how voluntary solutions have failed in UK and unions will now pursue legislation and lawsuits.

  - **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.

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.

D. STREAMING | OVERARCHING EXECUTIVE SUMMARY

Day 1 moved from **diagnosis** (Panel 1), through **institutional responses** (Panel 2), to a **political debate** (general discussion), offering a case study of how **platform capitalism, legacy copyright rules and unequal bargaining power shape today's music economy.**

1. Streaming as a labour and power problem

- Streaming now generates about 70% of global recorded-music income, but **revenues are highly concentrated** (≈0.5% of artists get ≈90% of streams) and non-featured performers are largely excluded.
- **Classifying streaming as "making available" rather than broadcasting bypasses existing remuneration rights,** exposing a mismatch between 1990s treaties and current business models.
- **Speakers framed the crisis not as a tech issue but as one of labour, contracts and power:** old, one-sided contracts and opaque deals reduce artists' exclusive rights to formalities, while platforms and labels treat music as a cost centre for other businesses.

2. Competing institutional models

The second panel contrasted statutory / collective models with the exclusive-rights + market-licensing paradigm:

- **Spain, Belgium: non-waivable equitable-remuneration rights for streaming, collectively managed and layered on top of contracts, explicitly designed as labour-protection tools.**
- **South Korea: an exclusive interactive-transmission right for performers, exercised collectively and partly conceived as an artist social-security mechanism.**
- **Brazil:** moving towards **national laws granting inalienable streaming remuneration, regulating playlists/fake streams, allowing direct deductions for performers from label payments, and excluding AI-generated content from remuneration.**

Common premise: **individual contracting cannot deliver fair outcomes under current asymmetries;** rights must be re-embedded in statutory and collective frameworks.

- **IFPI and major labels counter that mandatory ER rights would erode exclusive rights,** fragment licensing and strain CMOs' data capacity, defending a liberal-market view of copyright, against a social-rights / labour conception advanced by unions and CMOs.

3. Transparency, data and informational power

- Across sessions, **transparency** emerged as a structural fault line. Performers lack clear information on what platforms pay, what labels receive and retain, and how royalties are calculated. **NDAs around label–platform "global deals" prevent unions and CMOs from assessing whether music is fairly monetized.**

- Article 19 CDSM (transparency) was highlighted as an **under-enforced tool**: without it, both exclusive-rights and ER models risk reproducing opacity. The dispute over who can handle billions of usage lines (labels vs CMOs) reflects a broader struggle over **control of informational infrastructure**, now central to bargaining power.

4. Cultural diversity and small-market exposure

- Streaming's **cultural geography** was another concern. In small or multilingual countries, playlists and recommendations are often curated from larger neighbouring markets, with weak local presence. Since streaming makes up 70–80% of listening, **poor domestic curation and investment marginalise local repertoires and careers.** This pushes debate into cultural policy: should states impose investment / prominence obligations for local content on global platforms, potentially via a UNESCO digital protocol? **The model of global, scale-optimised platforms sits in tension with territorial cultural rights and diversity goals.**

5. Governance and the "long game"

- At **WIPO/SCCR**, digital-environment issues remain parked under **"Other Matters"**, with **very slow treaty progress and resistance from key states to regulatory approaches** beyond "the market". Meanwhile, national legislatures (Spain, Belgium, Brazil, Korea, etc.) are experimenting unilaterally, creating **a patchwork of models**. In countries like the UK, the failure of voluntary industry processes has pushed unions and artist groups towards **litigation and statutory reform**, after concluding that shareholder-driven firms will not voluntarily trade short-term profit for a fairer long-term model.

- Academically, **this reflects a broader pattern of multilateral deadlock + national regulatory experimentation driven by coalitions of unions, CMOs and policymakers.**

6. TOWARDS A POLITICAL ECONOMY OF STREAMING

Key cross-cutting themes:

- Streaming as reconfiguration of labour relations, not just a new distribution channel;
- Copyright & neighbouring rights as contested tools of distribution (property vs social right);
- Data and transparency as new terrains of power;
- Tension between platform capitalism and cultural policy (diversity, local languages, repertoires);
- Multi-level governance frictions between WIPO, regional regimes, national law and markets.
- Overall, Day 1 suggested that a "fair" streaming ecosystem cannot be achieved by technical or contractual tweaks alone. It requires a rebalancing of power between creators, intermediaries and platforms, institutionalised through statutory rights, enforceable transparency, collective mechanisms and cultural-policy instruments, all embedded in wider struggles over how value, voice and risk are allocated in the digital economy.