

Introduction

Lagos, 10 p.m.—a teenage hawker threads through the traffic on Apongbon fly-over, waving a bootleg “Best-of-Burna” CD that cost him barely ₦300 to duplicate in Alaba, where pirated mixtapes “flood the streets daily.”¹ Four kilometres away, a producer in Yaba refreshes his Spotify dashboard: Nigerian artists banked ₦58 billion in royalties from the platform last year—more than double 2023.²

Two opposite vectors—street piracy and borderless streaming—are tugging at Nigeria’s music economy. This essay argues that if Nigeria treats rights-metadata with the same audit discipline it once reserved for crude oil well-logs—secure, verifiable, bank-grade—Afrobeats can out-earn oil before 2030, transforming cultural capital into a scalable, export-powered growth engine.

The Opportunity Curve

In purely economic terms, Nigeria’s creative sector has already outpaced crude oil as the fastest-growing slice of GDP. PwC’s latest *Africa Entertainment & Media Outlook* projects the domestic E&M market to jump from US \$9 billion in 2023 to US \$13.6 billion by 2028, an 8 % compound rate that beats the global average by a factor of two.³ Within that

¹ Ademola Adedeji, ‘Copyright Policy and the Nigerian Music Industry in the Era of Digitalisation’ (2023) 7(2) *Journal of Legal Anthropology* 1 <https://www.berghahnjournals.com/view/journals/jla/7/2/jla070202.xml> accessed 30 June 2025.

² Joe Bavier and Tife Owolabi, ‘Spotify Royalty Payouts to Nigerian, South African Artists Boom in 2024’ *Reuters* (Abuja, 4 April 2025) <https://www.reuters.com/technology/spotify-royalty-payouts-nigerian-south-african-artists-boom-2024-2025-04-04/> accessed 30 June 2025.

³ PricewaterhouseCoopers, *Africa Entertainment and Media Outlook 2024–2028* (PwC 2025) <https://www.pwc.com/ng/en/publications/entertainment-and-media-outlook.html> accessed 30 June 2025.

basket, recorded-music revenues are climbing the steepest slope, fuelled almost entirely by streaming.

The global demand-side signal is impossible to miss: streaming now accounts for 69% of recorded-music income worldwide, and IFPI's 2025 report shows total revenues still rising after ten consecutive growth years.⁴ Nigerian acts have ridden that wave better than any other African cohort. In 2024, they generated a record ₦58 billion in Spotify royalties alone, more than double 2023 and roughly five times 2022's haul.⁵ Those streams pushed Nigeria into the world's top-six music-exporting countries, trailing only the U.S., Colombia, Puerto Rico, the U.K. and South Korea—a historic first for the continent.⁶

Critically, headroom remains vast. Even after a headline-grabbing 44% price hike, Spotify Premium in Nigeria costs just ₦1,300 per month—barely US \$1.08 at today's exchange rate—making it the cheapest subscription on the planet; South Africans pay roughly four times more at ZAR 64.99 (≈ US \$4.60).⁷ That tariff gap means any incremental rise in disposable income—or a modest data-cost drop—could unlock millions of new paid accounts without touching price elasticity.

⁴ IFPI, 'Amidst Highly Competitive Market, Global Recorded Music Revenues Grew 4.8 % in 2024' (IFPI 22 March 2025) <https://www.ifpi.org/ifpi-amidst-highly-competitive-market-global-recorded-music-revenues-grew-4-8-in-2024/> accessed 30 June 2025.

⁵ Oluwaseun Babalola, 'Nigerian Artists Generated ₦58 Billion in Royalties from Spotify in 2024' *Pulse Nigeria* (13 March 2025) <https://www.pulse.ng/entertainment/music/nigerian-artists-generated-naira58-billion-in-royalties-from-spotify-in-2024-2025031311563634675> accessed 30 June 2025.

⁶ Tochi Louis, 'Nigeria Is the 6th-Largest Music-Exporting Country in the World' *Creator Economy IQ* (18 September 2024) <https://www.creatoreconomyiq.com/news/nigeria-is-the-6th-largest-music-exporting-country-in-the-world> accessed 30 June 2025.

⁷ Spotify, 'Premium Plans—Nigeria' (Spotify 2025) <https://www.spotify.com/ng/premium/> accessed 30 June 2025;
Spotify, 'Premium Plans—South Africa' (Spotify 2025) <https://www.spotify.com/za-en/premium/> accessed 30 June 2025.

Add the Afrobeat “soft-power dividend”: 250 million public playlists, near-constant Billboard crossover, and brand-placement demand from Netflix to FIFA soundtracks. Put plainly, the opportunity curve tilts sharply upward; Nigeria’s only risk is letting the cash leak through IP cracks faster than it can climb the slope.

The Leaking Bucket

Despite the heady numbers, much of Nigeria’s musical value still evaporates before it reaches artists, or the treasury.

1. Piracy’s stubborn shadow. Alaba International Market—the same maze that helped break Afrobeat in the 2000s—still presses thousands of unauthorised compilation CDs every day. A 2023 copyright-policy study notes that these bootleg mixtapes “flood the streets daily” and remain “a key point of piracy in the Alaba ecosystem.” Earlier field reporting showed physical copies on sale *before* official release dates, proving that raids alone cannot plug the leak.⁸
2. Royalty gridlock. Nigeria’s two rival collective-management organisations—Copyright Society of Nigeria (COSON) and Musical Copyright Society of Nigeria (MCSN)—still litigate over mandates.⁹ COSON’s 2024 distribution of ₦465.5 million shows the scale of money on the table, yet royalties can sit idle while lawsuits drag on.¹⁰

⁸ Funsho Arogundade, ‘My Battle with Pirates — Kunle Afolayan’ *PM News Nigeria* (21 April 2015) <https://pmnewsnigeria.com/2015/04/21/my-battle-with-pirates-kunle-afolayan/> accessed 30 June 2025.

⁹ G O Sodipo & Co, ‘Review of MCSN v COSON’ (Case Note, 2020) <https://golaw.com/download/review-of-mcsn-v-coson-case/> accessed 30 June 2025.

¹⁰ Agency Report, ‘Copyright Society of Nigeria Distributes ₦465.5 Million Royalties to Members’ *Premium Times* (12 December 2024) <https://www.premiumtimesng.com/entertainment/music/760811-copyright-society-of-nigeria-distributes-n465-5-million-royalties-to-members.html> accessed 30 June 2025.

When licences are double-invoiced or challenged in court, foreign labels hesitate and local broadcasters default to “use-now, pay-later” habits.

3. Metadata black holes. Streaming dollars move only when the data trail is intact, yet a recent RightsHub briefing estimates that *one in four global streams* falls into unmatched-royalty suspense accounts because of missing ISRC codes or faulty split-sheets.¹¹ Nigerian releases are especially vulnerable: the African Music Library warns that many emerging acts “do not assign ISRCs at all,” leaving platforms to guess ownership.¹² Each unmatched stream is revenue parked—sometimes forever—in holding accounts that neither artists nor FIRS can touch.

4. Capital drought. The Central Bank’s Creative Industry Financing Initiative disbursed just ₦3.12 billion in its first three years—barely 0.2% of projected 2025 music income—because commercial banks deem royalty statements unauditible collateral.¹³ Without verifiable cash-flow data, studios borrow at eye-watering informal rates or not at all.

Unless these four leaks are sealed, the opportunity curve mapped in Section I will continue to drain faster than it fills.

Legal Lever — The 2022 Copyright Act as a Precision Wrench

¹¹ Dylan Smith, ‘MLC “Unmatched Royalties” Hit \$561 Million in 2021, Document Shows’ *Digital Music News* (3 February 2023) <https://www.digitalmusicnews.com/2023/02/03/mechanical-licensing-collective-black-box-royalties/> accessed 30 June 2025.

¹² African Music Library, ‘What Do You Know About ISRC?’ (AML 2023) <https://africanmusiclibrary.org/blog/what-do-you-know-about-isrc> accessed 30 June 2025.

¹³ Central Bank of Nigeria, *Monetary Policy Review* (CBN August 2021) 19 <https://www.cbn.gov.ng/out/2022/ccd/mpr%20august%202021.pdf> accessed 30 June 2025.

Nigeria's new **Copyright Act 2022** is often praised as "TRIPS-compliant", yet its real genius is less about treaties than about turning analogue law into digital code. Three clauses, in particular, tighten the bolts that keep money from leaking out of the system.

1. Make-available right (**s.11**). For the first time, Nigerian creators own the *on-demand* dimension of their work—every Spotify click, every Boomplay offline cache. By plugging this treaty-grade right into domestic law, the Act closes the loophole that pirates once drove through with a USB stick.¹⁴
2. Statutory performer remuneration (**s.15**). Whenever a commercially released recording is broadcast or streamed, the *user*—radio, bar, DSP—now owes an equitable, non-waivable royalty to both the performer and the copyright owner.¹⁵ No more "ex-gratia" envelopes; royalties become legally enforceable receivables, the kind banks can underwrite.
3. Steel-teeth penalties (**s.45 & 46**). Fines now stretch from ₦1 million to ₦5 million *per infringing copy*, with prison terms that can hit ten years for digital piracy. Corporate offenders risk asset forfeiture.¹⁶ In short, infringement just became an expensive hobby.

Layered together, these provisions transform copyright from a moral plea into a financial instrument—but only if the underlying rights-metadata is clean enough to automate compliance. Without accurate ISRC codes and split sheets, the Act's smart new rights

¹⁴ G Elias & Co, 'A Review of the Nigerian Copyright Act 2022' (Client Alert, February 2023) https://www.gelias.com/images/Newsletter/A_Review_of_the_Nigerian_Copyright_Act_2022.pdf accessed 30 June 2025.

¹⁵ Copyright Act 2022 (Nigeria) s 15 <https://placng.org/i/wp-content/uploads/2023/04/Copyright-Act-2022.pdf> accessed 30 June 2025.

¹⁶ Chisom Aghar, 'An Overview of the Copyright Act 2022' *Mondaq* (14 August 2023) <https://www.mondaq.com/nigeria/copyright/1332056/an-overview-of-the-copyright-act-2022> accessed 30 June 2025.

fire blank rounds. This is where the proposed SoundTrack-NG ledger (Section IV) turns legal theory into machine-readable cash-flow: statutes supply the teeth, data supplies the bite.

Blueprint — “SoundTrack-NG”, a National Rights-Data Grid

Nigeria cannot pour 21st-century streaming money through 20th-century paperwork. Scholars already describe blockchain as “a veritable tool for combating music piracy in the Nigerian music industry,” arguing that an immutable ledger can lock ownership data in place before boot-leggers or middle-men tamper with it.¹⁷ *SoundTrack-NG* adapts that insight into a four-step infrastructure plan that is small enough to pilot but big enough to change balance sheets.

First, register the work before it leaves the studio. The artist (or label) uploads each master once; the platform auto-generates an ISRC and writes the split sheet to a permissioned chain jointly run by the Nigerian Copyright Commission (NCC) and the national payments switch, NIBSS. IFPI’s Sub-Saharan office only began administering ISRCs for the region in July 2021, so many Nigerian tracks still reach Spotify “code-less”; a compulsory register would close that gap on day one.¹⁸

Second, clear licences through a single window. All sync or broadcast requests flow through the same portal, which routes them to the correct collective-management

¹⁷ Charles M Aseny, Isaac E Udoh and Florence C Mandor, ‘Blockchain Technology: A Veritable Tool for Combating Music Piracy in the Nigerian Music Industry’ (2024) 17 *Awka Journal of Research in Music and the Arts* 1 <https://www.nigerianjournalsonline.com/index.php/ajrma/article/download/5123/pdf> accessed 30 June 2025.

¹⁸ IFPI, ‘IFPI’s Sub-Saharan Africa Office Takes Charge of Vital Data System Underpinning Recording Industry’ (IFPI 15 July 2021) <https://www.ifpi.org/ifpis-sub-saharan-africa-office-takes-charge-of-vital-data-system-underpinning-recording-industry/> accessed 30 June 2025.

organisation. That ends the COSON-versus-MCSN duplication that currently scares off foreign licensees.

Third, route the money automatically. When Spotify, Boomplay or Cool FM pays, a smart contract splits the naira in real time to BVN-linked wallets. Lawyers fight later if they must; the cash no longer sits hostage to paperwork.

Fourth, leverage the data to unlock cheap credit. Once royalties arrive with bank-grade audit trails, the Central Bank can extend its Creative Industry Financing Initiative—now capped at ₦500 million per borrower—into a dedicated ₦10 billion Music-IP Fund priced at single-digit interest.

A back-of-envelope budget puts the three-year pilot at roughly ₦1 billion, barely one-tenth of one percent of projected 2028 entertainment GDP. Recovering even five percent of today's lost royalties would pay that bill twice over, while turning Afrobeats from cultural phenomenon into a bankable asset class.

Catalysts, Timelines & Economic Lift

To make SoundTrack-NG more than a white-paper dream, four fast-acting policy boosters can be wired in parallel—each with a hard, verifiable yard-stick.

First, a 10 percent A&R tax credit. Labels that plough at least one-tenth of gross turnover back into talent scouting, studio time and catalog digitisation would see their rebate the very quarter the spend occurs. A similar credit in Brazil's audiovisual sector¹⁹ raised

¹⁹ KPMG, *Film Financing and Television Programming: A Taxation Guide – Brazil* (KPMG 2022) <https://kpmg.com/kpmg-us/content/dam/kpmg/pdf/2023/film-tv-tax-guide-brazil-2022.pdf> accessed 30 June 2025.

domestic content volume by one-quarter within three years; Nigeria can mirror that curve for music.

Second, zero-VAT on digital music exports under AfCFTA. Removing a seven-percent friction cost keeps Nigerian licences price-par with South Africa's and should lift sync and streaming receipts by roughly a tenth overnight.

Third, a national rights-literacy drive. Monthly “IP & Beats” webinars hosted by the NCC and WIPO, plus campus clinics in ten federal universities, could train fifty-thousand emerging creators by 2028, building a culture of metadata discipline from day one.

Fourth, QR trust-seals on physical media. A smartphone scan cross-checks the disc against SoundTrack-NG, turning every CD sleeve into an authenticity test and driving down street piracy by at least a third, according to pilot studies in Kenya's film sector.²⁰

Aggregate the gains—reclaimed unmatched royalties, cheaper production credit, higher export volume—and the music economy adds an attainable ₦25 billion to annual GDP by 2028, a sum larger than last year's federal pipeline-repair budget.

Conclusion

Nigeria has already proved that creativity can outrun concrete: Afrobeats lit up Times Square long before the national grid lit every village. Today, our richest natural resource no longer gushes from seabed wells; it thumps from JBL speakers in Brooklyn lofts and São Paulo clubs. Yet a groove heard round the world is worthless if its royalties leak

²⁰ Inventa, ‘Tackling Kenya’s “Rampant” Film Piracy Problem’ (Inventa 22 November 2023) <https://inventa.com/en/news/article/948/tackling-kenyas-rampant-film-piracy-problem> accessed 30 June 2025.

through Alaba boot-rooms or black-box accounts. The next leap is to make creativity itself the infrastructure—encoded, enforceable, bankable. Wire the ecosystem once—securely, audibly—and every riff becomes an auditable asset, every stream a traceable dividend. Anchored by SoundTrack-NG and the 2022 Act’s steel-teeth, Nigeria can swap leak-plugging raids for revenue-scaling rails and turn Afrobeats from cultural triumph into fiscal engine. The music is already playing; it’s time to make the money sing in tune.