



Center for
Music
Ecosystems

GLOBAL
CITIZEN®

A vision for how **music** can
help **eradicate global poverty**
and **support economic**
growth everywhere

Part 1

This vision outlines the power that music can have worldwide if we better understand its potential value in addressing the biggest challenges of our time.



Music is part of our lives. Few of us celebrate weddings or mourn at funerals without it. Exercise and wellness are driven by it. Music brings us together, helps us celebrate, come to terms with sad emotions, or unwind. At the same time, it is a robust and universally accessible economic ecosystem that creates sustainable, non-extractive jobs. Worldwide, hundreds of millions of us stream it online, incorporate it into social media, or see it live. Music is recognized as a global cultural and public good—**because it is one.** In order to maximize its value, we must thoroughly understand it, engage with it as an industry, and develop policies to support it worldwide.

Part 1

Multiple treaties and agreements reference music's impact across society, from the most recent UNESCO *Mondiacult* declaration in 2022, where 150 states unanimously adopted a declaration to protect and preserve culture—inclusive of music—to the Berne Convention, which has protected literary and artistic works since it was ratified in 1886. Music—as a fundamental form of human expression—is understood, respected, and affirmed in global policy.

However, this tells only part of the story. Music is not simply sound, melodies, words and rhythms; it is the reflection of the creators' intellect and, as such, is intellectual property. Creating it requires talent, education, skills, and expertise, all of which must be taught, nurtured and honed. This requires investment and policies demonstrating that music—as property—can be owned, managed, monetized and taxed. A lack of effective policy and understanding reduces the potential for music to earn money—for people, governments, and society. Addressing this is an opportunity for all of us.

Music suffers from an ignorance created by its ubiquity. Because of music's widespread availability, some ignore what is needed to get it to us and the incomes that process can generate. Music may be a utility everywhere, but it is not an economy everywhere.

We must make it an economy everywhere. In doing so, music and the music ecosystem can become powerful tools to alleviate global poverty.



In many countries, there are insufficient foundations and frameworks required for music to contribute to a thriving local and national economy. Understanding what music is (as an economic good), and what it can provide economically, everywhere, is one of our greatest opportunities. This requires no new technology, systems, or processes. These changes can be accomplished relatively simply and quickly and have lasting, long-term benefits. But we must start now.

It is necessary to understand **how music works** and **why now is the time to act**, before exploring **how best to do so**.

Part 2 / How music works

Music, as a vibrant and multifaceted industry, plays a pivotal role in our cultural fabric. However, for it to function effectively as a taxable and investible economy, several critical factors come into play that, if optimized, can have profound impacts.

1. How Copyright Is Managed and Protected

Creation of Rights:

When a sound recording or composition is born, it simultaneously generates rights under international rules and national laws. These rights serve as the bedrock for protecting music creators and their economic interests.

There are two central copyrights:

- **Sound Recording (Master):** This pertains to the specific recorded version of the composition—the melody captured and recorded in a studio or—for instance—a concert hall.
- **Musical Work (Composition):** This refers to the underlying composition—the notes, lyrics, and harmonies that form the artistic essence.

Rights and Remuneration:

When music is used—whether performed live, streamed, or featured in films—the owner of these intellectual and economic property rights deserves fair remuneration unless there are pre-agreed exceptions, such as royalty-free music, works in the public domain or uses of music that are exempt from copyright.

2. There Are Global Variations in Laws and Payment Mechanisms

Jurisdictional Differences:

Laws governing music royalties vary across countries, but the premise remains consistent: compensation must be provided for music usage.

Payment Mechanisms:

Robust systems are essential to ensure that artists, composers, and performers receive their due. These systems track usage and facilitate payments.

Offshore Strategies:

In countries with regulatory inefficiencies, creators often “offshore” their intellectual property (IP) rights. They register their work elsewhere to avoid income loss. Unfortunately, this practice hinders potential tax revenue and GDP contribution.

3. The Challenges and Solutions

Monitoring Usage:

Effective systems and organizations monitor music usage across platforms, including concerts, broadcasts, streaming services, and more.

Technological Innovations:

Technologies play a crucial role. Blockchain, for instance, can enhance transparency and streamline royalty distribution.

Addressing Regulatory Gaps:

Countries must address inefficiencies to prevent IP offshoring and retain tax revenue. Collaborative efforts can bridge gaps and ensure creators receive their rightful earnings. There are many initiatives in practice that can help to address this challenge.

Part 2 / How music works

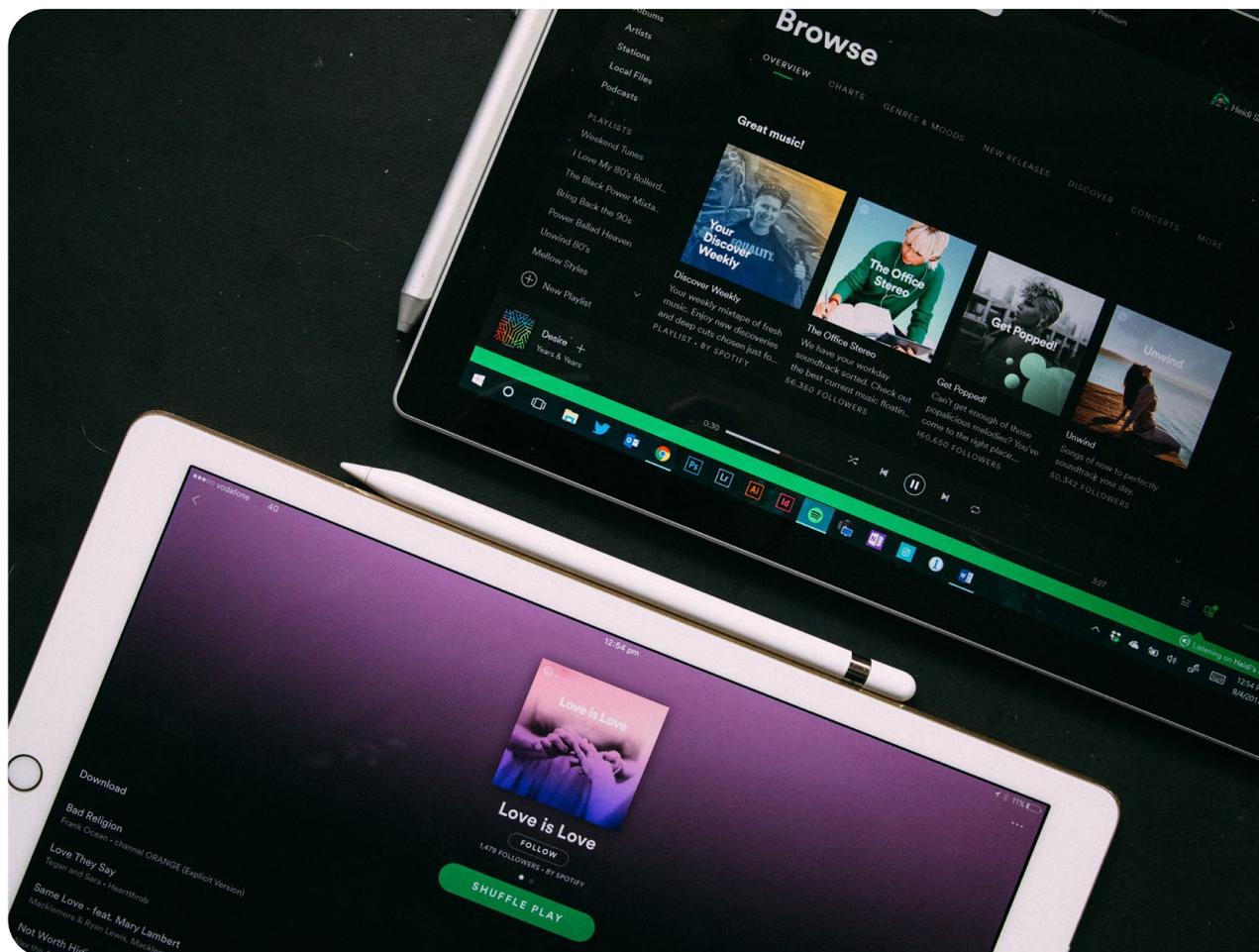
When There is an Absence of IP Regulation, it Reduces Education and Infrastructure to Support Creation.

When and where the aforementioned intellectual property infrastructure is absent, there is also often a lack of educational and physical infrastructure to support music making, the business of music, and live music. Without places to learn, rehearse, record, and perform, music becomes informal, performed for fun with little belief that income will be derived from it and, with it, a path out of poverty or an opportunity to pursue a new vocation.

If every country had effective, transparent intellectual property systems that recognized, registered, and tracked music copyrights; access to music and business education; and infrastructure to support dissemination, both on the airwaves

and on the ground, we would see new revenues emerge from something already happening in communities. Music is being created and enjoyed now. What is missing is the revenue it should be returning to communities. This is not about genre or discipline. Music, no matter what it is, can generate earned income and diversify income streams. Income can alleviate poverty.

This revenue can be substantial for creators, businesses, and treasuries. In countries with robust music ecosystems, the sector is growing rapidly. But these examples are the exception, not the norm. Let's all grasp this opportunity and address this, right now.



Part 3 / Why does music matter?

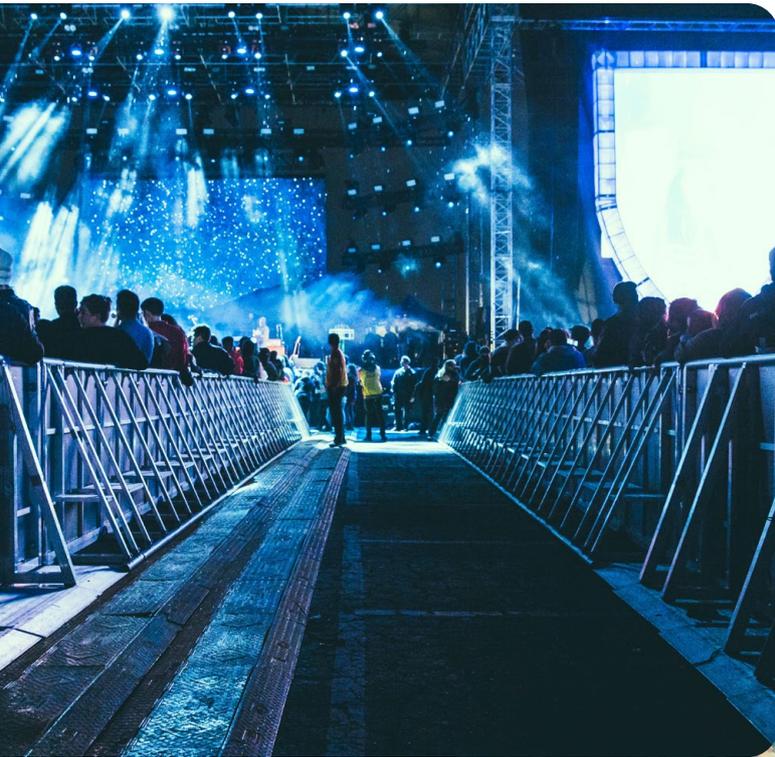
Music is a more powerful tool for addressing global poverty and fostering economic growth than ever before.

Recent data from the IFPI—the global trade association representing the recorded music industry—showed 10.2% growth in recorded music revenues from 2022 to 2023—the ninth consecutive year of increase. As a result, the global value of music copyright grew by 14% to \$41bn USD. At the same time, music listenership is increasing, particularly in Africa and Latin America. There are now 713.4m music streaming subscribers worldwide. BoomPay, Africa's largest digital service provider, has over 60 million subscribers. At the same time, more local music is being listened to by locals, creating national and regional music markets that prioritize and celebrate local artists and content. Five of the top artists streamed across sub-Saharan Africa in 2023 were Nigerian. Similar numbers are evident in Latin and South America, driven by global superstars Bad Bunny and J. Balvin. Music is also a proven therapeutic tool, with demonstrable results in addressing a range of conditions, including mental health disorders, anxiety, stroke recovery, dementia, and Alzheimer's. Its potential to reduce costs across health and social care is evident, as is its power to address anti-social behavior and other social challenges.



Moreover, more concert tickets were purchased in 2023 than in any previous year, with Ticketmaster alone selling 620 million tickets. This growth is evident in the success of Move Afrika, which welcomed 8,000 attendees to Kendrick Lamar's first concert in Africa last December. It is further evidenced by the phenomenon of Taylor Swift, whose concerts have significantly impacted national GDP. With more listeners, concert attendees, and proof of the growing economic and social value of music, coupled with the evolving tastes of local listeners for local genres, languages, and content, there are more incentives than ever to create the conditions for music to thrive in every country. In doing so, it can become a tool to improve livelihoods and fight poverty.

Part 3 / Why does music matter?



This is why countries are listening and taking action.

In the Kingdom of Saudi Arabia, a [new copyright management organization](#) is being launched to complement the [Saudi Music Commission](#), which has invested heavily in education, infrastructure, and live music projects. Mexico published [its first-ever report](#) chronicling the size of its commercial music sector. Belize is readying a [music tourism plan](#). The Philippines has begun writing a music strategy. As have [Zimbabwe](#), [Pakistan](#), [Fiji](#), [the Solomon Islands](#), and [Vanuatu](#). The United Arab Emirates has launched [a plan to develop](#) a region of Dubai into a living, breathing 'Music City.' In the United States, [laws have been passed](#) to recognize the value of protecting artists as generative AI

develops. [France](#) and [Australia](#) have established national music commissions to expand economic development. UNDP is publishing a paper on how music and the creative economy can improve livelihoods and foster economic development in their [Development Futures](#) series. Nationally and multilaterally, policies are changing.

But this is just the beginning. And this is a lucrative opportunity for everyone.

Recognizing the economic value that music can deliver is the start. Creating the conditions for music to become a powerful tool to fight poverty and improve livelihoods is another. It is these objectives that we want to accelerate.

Part 4 / Where do we go from here?

Together, the Center for Music Ecosystems, Universal Music Group, and Global Citizen, alongside partners at the UN, **want to ensure that music becomes an economic driver in every country by 2030.** To do so, we will:

- Commission a research paper to understand the true economic potential and value of music worldwide.
- Create and share music-focused policy frameworks and best practices to support all UN member states and civil society organizations focused on fighting poverty and promoting economic growth.
- Enshrine policy development into Move Afrika's landmark work to support the development of a world-class Pan-African touring network.



Part 5 / Join us

In our pursuit of a harmonious world, we advocate for the following:

1. Universal Recognition of Music's Value, its Economic Benefits and Global Impact

Music transcends mere art—it's an economic force. Every nation must acknowledge its potential impact. Recognition shouldn't stop at borders; let's elevate music alongside cultural and social designations worldwide.

2. Intellectual Property Everywhere and Safeguarding Creativity

Across borders, we must respect, regulate, and vigilantly protect intellectual property. Piracy stifles creativity and hampers economic growth.

3. Global Monitoring and Tracking: Harmonizing Music Usage

Systems that transcend national boundaries are essential. Let's monitor and track music usage in every single country. For that, we need copyright societies and companies to use global standards.



4. Empowering Music Everywhere: A Thriving Economy

Even in adversity—conflict, disasters, or challenges—music generates income for creators. This requires global frameworks aligned with policies, networks, and processes.

5. Unleashing Hidden Talent: A World of Superstars

Incredible music exists everywhere. Superstars emerge from every corner of the globe. Let's nurture talent regardless of geographical boundaries and ensure artists have the resources they need, no matter where they live, to pursue what could be the next number one hit.

For more information, visit:
www.centerformusicecosystems.com



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The Center for Music Ecosystems is a 501c3 nonprofit corporation in the United States and a nonprofit MTU organization based in Estonia, in the European Union.

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