

Collection and Distribution of Royalties in Tanzania





What are Royalties?

Royalty means payment of an agreed rate to a right holder for use of a copyright work.

They are a form of compensation paid to the creator or copyright owner for the authorized use or exploitation of their work. They are associated with copyrighted work such as music, literature, films, artwork and software.



Who collects and distribute Royalties?

In Tanzania, COSOTA has the the authority to collect royalties. However, recent amendment to the Copyright and Neighbouring Rights Act, through the Finance Act No. 1 of 2022, allows the establishment of Collective Management Organizations (CMOs) for collection and distribution royalties.

COSOTA is responsible for registering of these CMOs based in the criteria specified in the Copyright and Neighbouring Rights Act (Collective Management Organizations) Regulations of 2023, GN No. 211 of 2023.

Collective Management Organizations

Collective management organizations have been set up to handle the responsibilities of rights management and royalty collection.

These organizations work on behalf of numerous right holders, allowing them to efficiently license the use of their works, collect royalties from such uses and subsequently distribute the collected royalties back to the rights holders.

Collection of Royalties in Tanzania

COSOTA and CMOs collect royalties for various type of copyrighted works, including music, audiovisual works(films, TV shows), literary works, visual arts and more.

These organizations collect royalties through franchising and licensing agreements with users of copyrighted works such as broadcasters, music streaming platforms, event organizers, bars, restaurants and other commercial users. These users are required to obtain licences and pay royalties to the respective CMOs.

Distribution of Royalties in Tanzania

Once the royalties are collected, the CMOs distribute the funds to the rights holders based on their membership and the usage of their works.



For more information, please do not hesitate to contact us through: **info@extentadvisory.co.tz**