Foreword

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POST-COVID RECOVERY NOW COMPLETE, BUT AI IS OUR GREATEST CHALLENGE

I am pleased to introduce our annual CISAC Global Collections Report.

This year's figures, for royalties collections by CISAC members in 2023, paint a positive picture of a healthy, stable and promising sector. Overall, collections on behalf of creators reached a new all-time high of EUR13.1bn, an impressive +7.6% increase. During the last five years, CISAC members have added over EUR3bn to the amounts they collect for authors and copyright holders. This, in itself, is a major achievement and shows the strength of the collective management system.

However, there are two other key stories behind the figures: the recovery of the live sector and growth in the digital market.

The live and public performance income stream bounced back buoyantly. For the first time, the amounts collected by CISAC societies for background music, live concerts, exhibitions and entertainment, exceeded their 2019 pre-COVID level reaching EUR3.28bn, fueled by the growing number of live concerts and tours around the world. Yet, despite this success, the sector is fragmented and in many areas, fragile. At the grassroots level, venues are closing and local events struggling. Support from governments to protect the live sector has never been more important.

Digital royalties remain the biggest driver of collections. Globally, these grew by a healthy +9.6% in 2023, to EUR4.6bn. Since 2019, CISAC societies have collected an additional EUR2.5bn in digital royalties, a five-year growth of +120%.

This impressive growth is helped by the continued popularity of streaming consumption, subscription services introducing long-overdue price rises, and the efforts of our societies to extract more value from the market.

Particularly eye-catching are some of the smaller markets, many in Asia-Pacific where digital now represents the vast majority of collections. This points to opportunities and challenges. On one hand, societies in countries like Indonesia and Vietnam report digital royalties accounting for more than 80% of their total collections. On the other hand, it is those particular market where digital income is so dominant, which are seeing a constant struggle to achieve fair value for creators, against a "free content" culture. CISAC's mission remains to support our members in maximising the value of creators' works and ensure that the digital market remains stable and continues to grow.

One thing our numbers do not show – not yet – is the impact of generative AI. Future editions in the years ahead will do so but, in the meantime, securing a safe environment for creators in the AI era is CISAC's top priority. It is critical that AI is used to enhance human creativity, not undermine or replace it. The stakes could not be higher for the creative sector, and forecasts indicate just what the damage could be if we, the tech sector and policy makers, get this wrong.

A joint study by CISAC members SACEM (France) and GEMA (Germany) on the impact of generative AI on the music sector suggests 27% of creators' revenue is at risk in the medium term. In another study by APRA AMCOS (Australasia), 82% of music creators were concerned that AI could lead to them no longer being able to make a living from their work. There is no question that decisions made by policy makers in the near future will have a huge influence on the future for creators and of our culture.

This Report gives a unique overview of the economic and cultural value of our global CISAC community. Despite the challenges we face, I am optimistic about our future. Collections are growing in every sector and across every region, underpinning the strength of our societies and the collective management system. This report highlights the positive outlook.

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