Theoretical Study of Legal Protection of Song Royalty on Digital Platforms

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Abstract
This study aims to solve problems related to legal arrangements regarding song royalties or music on digital platforms that are used commercially and the issue of violations of song royalties on digital platforms today. This type of research is normative legal research with primary legal materials covering the applicable laws and regulations and secondary legal materials, including law books, the internet, and journals related to the issues studied. This research is descriptive, while the research material is carried out qualitatively. This research results in a conclusion that the matter of collecting royalties for songs on the Digital Platform after the issuance of Government Regulation of the Republic of Indonesia Number 56 of 2021 concerning Management of Royalties for Copyright of Songs and/or Music only targets the form of public services but does not regulate strictly in the form of Digital services that are used commercially and Legal protection regarding royalties for songs or music in Digital Platforms that are used commercially is divided into 2 (two), namely: Legal protection in the form of protection of works and rights for songwriters in the form of economic rights and moral rights, legal protection in the form of criminal sanctions and civil sanctions in the form of compensation. The responsibility of Government must immediately make derivative regulations relating to the Management of Song Royalties in Digital Platforms that are used commercially to provide protection and legal certainty for those who have economic rights/song royalties, as well as the Directorate General of Intellectual Property (DJKI) to be able to complete the Song / Music Information System (SILM) song and music data center to optimize the withdrawal and distribution of royalties to songwriters or musicians.

Keywords: Legal Protection; Digital Platform; Song Royalty.


1. Introduction
Copyright reflects the recognition of human rights to freedom of expression and opinion through the formation of sound, images, writing, or other creations of artistic and economic value.1 This definition has been stated in the Preamble and Body of the 1945 Constitution of the Republic of Indonesia. Indonesia protects copyright through the establishment of legislation in a lex specialis

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manner, namely with the existence of Law Number 19 of 2002 as amended by Law Number 28 of 2014 concerning Copyright (UUHC). One of the creations protected by copyright is a song and/or music. The work of songs and/or music as Article 40 letter (d) of the UUHC can be interpreted as a whole creation that only has elements of songs or melodies, poems or lyrics, as well as arrangements, including notations, in the sense that the song and/or music is a unity of copyrighted works. Therefore, Copyright is a right that must be protected because, if it is not protected, it will harm people who have taken the trouble to inspire, imagine and think to create something. Therefore it should be said that Copyright is a part of Intellectual Property Rights that is very important to protect, especially covering Creation in science, art, and literature. The government issued Government Regulation of the Republic of Indonesia Number 56 of 2021 concerning the Management of Royalties for the Copyright of Songs and/or Music as a derivative regulation of Law Number 28 of 2014 concerning Copyright.

But in reality, a few moments after Government Regulation (PP) No. 56/2021 on the Management of Copyright Royalties for Songs and/or Music was passed, one of the efforts embedded in PP No. 56/2021 to increase the transparency of music royalty management is through the establishment of the Song and/or Music Information System (SILM) by LMKN. This system will serve as a database that stores all types of commercial use of music/songs in Indonesia and is expected to assist in collecting, calculating, and distributing royalties. Although the system is expected to be completed no later than 2 (two) years after GR No. 56/2021, reflecting on the delay in the enactment and discussion of GR No. 56/2021, the public is skeptical that the system will be completed on time. Moreover, in early April 2021, the government announced that the Creation of SILM would be delayed due to the complications of the COVID-19 pandemic. In addition, there are concerns related to the potential unevenness of music royalty payments due to the absence of details of business types outside commercial businesses such as restaurants, cafes, bars, pubs, bistros, nightclubs, and hotels in PP No. 56/2021, the points in PP No. 56/2021 do not explicitly mention that there is a connection to digital music in royalty rules in Indonesia, it should be noted that one of the strong reasons that prompted the enactment of the music royalty regulation in Indonesia was the

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pressure of local musicians who were worried about the fulfillment of their rights on digital music platforms.³

One example of a case in Indonesia is Tri Suaka and Zinidin Zidan, known to cover songs that several songwriters often send a subpoena. The subpoena was sent through the Indonesian Minangkabau Artist Communication Forum. The first subpoena contained an apology, “We have accepted it because we don’t want to kill people’s careers, people’s fortune,” said Forkami’s Legal Division Head and Advocate, Arianto. Meanwhile, the second subpoena that was filed was related to calculating royalties. Around 10 (ten) songwriters and musicians asked for royalty calculations for songs uploaded by their covers via YouTube. They asked for IDR 1 billion per song as a royalty calculation. Today, consumption and marketing in the music industry have shifted to the digital realm.⁴

The shift in public culture in enjoying music was not born out of a vacuum but instead follows the existing market mechanism. The majority of consumers have abandoned physical albums and switched to digital platforms, which are more practical and economical. Music streaming services such as Spotify, JOOX, and Apple Music are starting to emerge to revitalize the increasingly massive music industry.⁵ DailySocial reports that the 2018 Music Streaming Service Survey was conducted in collaboration with the JakPat Mobile Survey Platform. In this survey, 1955 respondents from various regions in Indonesia were involved. Some interesting findings in the survey include: 85% of respondents stated that they listened to online music streaming regularly in the last six months, 52% of respondents subscribed to paid music streaming services, The most used paid music streaming service is JOOX, which is used by 70.37% of respondents, 56.12% of respondents admitted to using music streaming services because they get free access from their internet service provider/cell phone service. The virtual world, represented by social media, is a space that has no boundaries. It’s impossible to find millennials today who don’t have social media. Through this platform, they can express everything,

including by re-singing other people’s songs. At this point, matters become very complex regarding the issue of royalties or copyright protection. Ironically, Government Regulation of the Republic of Indonesia Number 56 of 2021 concerning Management of Royalties for Copyright of Songs and/or Music, through the National Collective Management Institution (LMKN), is even more busy taking care of royalties in commercial, public spaces than on digital platforms.\(^6\)

Some previous journal literature has discussed song royalties from several sides, such as Gracelina Jesyca Carmety Nyaman, Kadek Nita Erlita, Anjalia Rambu Kahi, Ruhil Amani and Dyah Permata Budi Asri (2021) in the journal Wijayakusuma Law Review entitled “Perlindungan Dan Pengelolaan Hak Royalti Pencipta Melalui Peraturan Pemerintah No 56 Tahun 2021,” examines the protection and management of royalty rights in Government Regulation No. 56 of 2021. Then Afifah Husnun U.A, Muhammad Hafiz, et al. (2021), in the Padjadjaran Law Review journal entitled “Mekanisme Pengelolaan Hak Royalti Musik Oleh LMK & LMKN Ditinjau Dari Peraturan Pemerintah No 56 Tahun 2021 Tentang Pengelolaan Royalti Hak Cipta Lagu Dan/Atau Musik” examines the authority and duties possessed by the Collective Management Institution (LMK) and the National Collective Management Institution (LMKN), in managing music royalties used for commercial purposes, as well as Dewa Gede Jeremy Zefanya, A. A Sri Indrawati (2020), in the Kertha Semaya journal entitled “Kewajiban Pembayaran Royalti Terhadap Cover Lagu Milik Musisi Indonesia,” examines the arrangements related to the obligation to pay royalties for the act of covering Indonesian musicians’ songs based on the provisions of Law No. 28 of 2014 concerning Copyright and the legal consequences caused if the parties refuse to pay royalties to musicians as creators of songs and music.\(^7\)

This study will examine and analyze the legal arrangements regarding royalties for songs or music on digital platforms that are used commercially and analyze the legal protection of royalties for songs or music on the platform.

Based on this background, this research will examine and analyze how the legal arrangements regarding royalties for songs or music on digital platforms are used commercially and analyze legal protection regarding royalties for songs or music on digital platforms are used commercially.


2. Research Method

This research type is normative legal research, carried out by researching, exploring, and studying various laws and regulations related to the problem. The data used in this legal research is secondary data obtained from primary legal materials and secondary legal materials. Primary legal materials are binding, including the 1945 Constitution, Law Number 28 of 2014 concerning Copyright, and Government Regulation No. 56 of 2021 concerning the Management of Song and/or Music Copyright Royalties. The author uses secondary legal materials to explain primary legal materials, including books related to song royalties, especially those related to the issues studied, and the internet and journals related to the problem. This legal research is descriptive, while data processing is done qualitatively.

3. Research Results and Discussion

3.1 Legal Arrangements Regarding royalties for Songs or Music in Digital Platforms that are used commercially

On National Music Day, set for March 9, 2022, Chairman of the Indonesian Music Federation (FESMI) Candra Darusman said he wants balanced benefits for Indonesian musicians, consumers, and digital music platform companies. This was done so that the goal of establishing National Music Day nine years ago was perfectly achieved. The chairman of FESMI and the senior Indonesian musician also said that the music industry in Indonesia is currently transitioning from the physical to the digital world. So that there is still much that has not been achieved, but he and FESMI, together with the government, are still trying to achieve the goals of this National Music Day and benefit Indonesian musicians.

The most significant impact of this transitional era is that not all musicians have gone digital. While consumers almost all listen to music through digital streaming applications and are free to choose the songs they want, the economic value for musicians from digital platforms is less than compact disks or vinyl. So, the challenge is how musicians can enjoy profits commensurate with increased consumption in the digital era. In facing the challenges of the transition era, Candra admitted that until now, the distribution of royalties on various digital music streaming platforms is still unclear. Thus, it is necessary to have regulations that regulate the division to be more balanced.

According to Candra, the distribution of royalties from digital streaming

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platforms is still relatively small for artists and musicians because there is no written regulation yet. For example, if we subscribe to Spotify and Apple Music, income from virtual stores must be completely transparent, and an agreement on the distribution of royalties must be agreed upon.\textsuperscript{9} How much for singers, songwriters, and procedures? But this regulation doesn’t exist yet, so this is the regulation I mean so that the distribution of royalties is even better.

Even though on March 30, President Joko Widodo issued PP No. 56 of 2021 concerning the Management of Royalty, Song Copyright, and Music, and it had a positive impact, Candra said that what is not perfect is law enforcement. Candra explained that many business entities still feel they have no obligation to pay royalties, but there is no clear legal action.

The cause of royalty payments that are not optimal is legal awareness and respect for music and songwriters by business actors. We also know that during the pandemic, there was relief in royalty payments, but with the current economic recovery, this should not be an obstacle for entrepreneurs to pay royalties.\textsuperscript{10}

According to the provisions of Article 1 Paragraph (1) of Law no. 28 of 2014 concerning Copyright, copyright is an exclusive right for creators or recipients of rights to announce or reproduce their creations or give permission for it without reducing restrictions according to applicable laws and regulations. This exclusive right means no one else may exercise the creator’s rights except with permission.

Article 1 paragraph (2) of Law Number 28 of 2014 concerning Copyright means that royalties are compensation for the use of the economic rights of Creation or product of related rights received by the Author or Related Rights Owner. Royalties are payments made by users of copyrights or associated products to creators and/or related rights holders in connection with granting permission to exploit or use works or related rights products.\textsuperscript{11}

Author and ownership are the most important main points in copyright law. What is meant by the creator must have specific qualifications to protect his work? A creator must have an identity and status to determine the ownership of the rights. Someone who produces a particular work is a


copyright owner. A creator is a person or several people whose inspiration creates a creation based on the mind’s ability, imagination, dexterity, skill, or expertise expressed in a distinctive form and is personal. Unless otherwise specified, the person who creates a specific creation form is considered the copyright owner.

About copyrights in the field of music or songs, copyright holders as copyright subjects are included in such descriptions as Creator of song melodies (composers), Creators of song lyrics (lyrics), Music arrangers (arrangers), Adapters of lyrics (sub-lyrics), Publishers and sub-publishers.

Article 40 paragraph (1) of the UUHC provides an understanding that protected Works include Works in the fields of science, art, and literature, namely: books, pamphlets, facial expressions of published papers, and all other written works; lectures, speeches, and other similar creations; visual aids made for the benefit of education and science; songs and/or music with or without subtitles; drama, musical drama, dance, choreography, wayang, and pantomime; works of art in all forms such as paintings, drawings, carvings, calligraphy, sculpture, sculpture, or collages; applied art; architectural works; map; batik artwork or other motif art; photographic work; Portrait; cinematographic work; translations, interpretations, adaptations, anthologies, databases, adaptations, arrangements, modifications and other works resulting from the transformation; translation, adaptation, arrangement, transformation, or modification of traditional cultural expressions; compilation of Works or data, both in readable formats with Computer Programs and other media; a compilation of traditional artistic expressions as long as the compilation is an original work; video games; and Computer Programs.12

In PP No. 56 of 2021, Concerning Management of Song and/or Music Copyright Royalties Article 3, Paragraph (1) provides an understanding that Everyone can make Commercial Use of songs and/or music in the form of commercial, public services by paying Royalties to the Author, Copyright holders, and/or Related Rights owners through LMKN.13

Then Article 3 Paragraph (2) PP No 56 of 2021 says that commercial, public services are: commercial seminars and conferences; restaurants, cafes, pubs, bars, bistros, nightclubs, and discotheques; music concerts; airplanes, buses, trains, and ships; fairs and bazaars; cinema; call waiting tone; banks and offices; shops; recreation center; television broadcasting institution; radio broadcasting institution; hotels, hotel rooms, and hotel

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facilities; and karaoke business.\textsuperscript{14}

Based on Article 3, the author believes that those who are given the obligation to pay royalties are public spaces. Still, no article regulates digital platforms such as Spotify, YouTube, Apple Music, Joox, YouTube Music, Amazon Music, Shazam, Deezer, TikTok, Resso, Musixmatch, Soundcloud, and so on. This creates legal uncertainty in society, especially for songwriters who should receive economic rights/royalties for their songs from digital platforms.\textsuperscript{15}

To answer this, there needs to be legal certainty. This aligns with Hans Kelsen, and law is a system of norms. Norms emphasize the “should” or \textit{das sollen} aspects by including rules about what to do. Norms are deliberative human products and actions. Laws that contain rules of a general nature serve as guidelines for individuals to behave in society, both in relations with fellow individuals and in relations with society. These rules become limits for society in burdening or taking action against individuals. The existence of these rules and the implementation of these rules give rise to legal certainty.\textsuperscript{16}

3.2. Legal protection regarding song or music royalties on digital platforms that are used commercially

Along with enacting the provisions of Law Number 28 of 2014 concerning Copyright, it creates problems for creators or copyright holders, especially songwriters. Many phenomena still occur in a society that violates economic rights and moral rights that should be owned exclusively by creators or copyright holders.\textsuperscript{17} In this case, many users using song works are irresponsible because the use is not based on a solid legal basis, namely in the form of permission from the creator or copyright holder. Currently, supervision provides legal protection to users who use songs created by other people, both in activities related to the economic rights of the creator or copyright holder and the moral rights of the creator or


\textsuperscript{16}Prof Peter Mahmud Marzuki, “Penelitian Hukum,” Penelitian Hukum, 2008.

\textsuperscript{17}Ayup Suran Ningsih and Balqis Hediyyati Maharani, “Penegakan Hukum Hak Cipta Terhadap Pembajakan Film Secara Daring,” Jurnal Meta Yuridis, 2019, https://doi.org/10.26877/m-y.v2i1.3440.
copyright holder.\textsuperscript{18}

\textbf{a. Legal protection in the prevention}

Legal protection for music is regulated in Article 40, Paragraph (1) letter (d) of the Copyright Law Number 28 of 2014 concerning Copyright. In Copyright, legal protection is aimed at the exclusive rights owned by the creator who produces a work so that the one who gets legal protection from the object of music creation is the music creator himself. Music creators are legal subjects who create works that contain elements of melody, poetry or lyrics, rhythm, tempo, dynamics, harmony, timbre, and scales arranged in such a way as to form a unified whole.\textsuperscript{19}

Based on Article 4 of Law Number 28 of 2014 Concerning Copyright, protection for music creators or music Copyright holders consists of economic and moral rights. Moral rights are inherent in creators or actors that cannot be removed or erased without reason, even though they have been transferred. In Article 5 paragraph (1), Law Number 28 of 2014 regulates the moral rights of music creators are divided into two, namely the right to be recognized as a creator (authorship right or paternity right) that the identity of the creator must be included in the work of a creator and the right to be recognized as a creator (the right to protect the integrity of the work), namely prohibiting changes to works that have the potential to damage the creator’s reputation.

The protection of the economic rights of creators or copyright holders is the same as for other creations, such as cinematographic creations. Protection is also regulated in Article 9, Paragraph (1) of Law Number 28 of 2014. Regarding Copyright, based on the rules of Article 9 paragraph (1), other parties are prohibited from using the music or songs belonging to the composer for commercial purposes without the consent of the songwriter.\textsuperscript{20}

\textbf{b. Legal protection in the form of sanctions}

The repressive legal protection is by taking action against Copyright


infringement. The action that can be taken in resolving disputes is stipulated in Article 95 of the Copyright Law Number 28 of 2014. This rule is given as legal protection for the exclusive rights of creators and Copyright holders that arise automatically based on the declarative principle after Creation is realized in a tangible form. The repressive legal protection regulated in the Copyright Act Number 28 of 2014 is protection by providing legal consequences or consequences in the form of criminal sanctions or compensation that is processed civilly. Copyright Law Number 28 of 2014 protects two related rights regulated in Article (4), namely the protection of economic rights and moral rights. Protection of the creator’s moral rights is meant to protect the rights of copyright holders so they can defend the Copyright for their work from Distortion, Mutilation, and Modification of works. As for what is meant by Distortion of a work is the act of twisting the facts or identity of Creation, then what is meant by Mutilation of a work is the act of removing part of a work, and what is meant by modification of a work is the change of a work.

Protection of economic rights is given with the aim that creators or copyright holders can use their creations as they should and to protect their creations from other parties who, without rights, want to take advantage of them. If the rules in Article 9 of the Copyright Law Number 28 of 2014 are not complied with, then based on UUHC 2014, the creator or copyright holder has the right to take repressive legal steps. This is regulated in Article 113 Paragraph (3), which contains a rule that “Any person who without permission has copied, announced, and used someone else’s copyrighted work will be sentenced to imprisonment and required to make compensation.”

And this is in line with the theory of legal protection from Satjipto Raharjo; legal protection is an effort to organize various interests in society so that there are no collisions between interests and that one can enjoy all the rights granted by law. Organizing is done by limiting particular interests and giving power to others in a measurable manner. The theory of legal protection from Satjipto Raharjo was inspired by Fitzgerald’s opinion about the purpose of the law: to integrate and coordinate various interests in society by regulating the protection and limitations of these multiple interests. Legal protection is divided into two, namely preventive and repressive legal protection. Preventive legal protection, namely legal protection that aims to prevent disputes, directs government actions to be careful in making decisions based on discretion. In contrast, repressive legal protection, namely legal

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protection, seeks to resolve conflicts.22

4. Closing

4.1. Conclusion

In terms of collecting song royalties on Digital Platforms after the issuance of Government Regulation of the Republic of Indonesia, Number 56 of 2021 concerning the Management of Song and/or Music Copyright Royalties only targets forms of public services but does not strictly regulate in the form of Digital services that are used commercially. Legal protection regarding Song or Music royalties on Digital Platforms that are used commercially is divided into 2 (two), namely: Legal protection in prevention in the form of protection of works and rights for songwriters in the form of economic rights and moral rights, legal protection in the form of criminal sanctions, and civil sanctions in the form of compensation.

4.2. Suggestion

The Government’s responsibility is to immediately make derivative regulations relating to the Management of Song Royalties on a Digital Platform that are used commercially to provide protection and legal certainty for those who have economic rights/song royalties, as well as the Directorate General of Intellectual Property (DJKI) to be able to complete the Song/Music Information System (SILM) for the song and music data centers to optimize the collection and distribution of royalties to songwriters or musicians.

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