

URUGUAY

INTERNATIONAL INTELLECTUAL PROPERTY ALLIANCE (IIPA)

2025 SPECIAL 301 REPORT ON COPYRIGHT PROTECTION AND ENFORCEMENT

Special 301 Recommendation: IIPA recommends that Uruguay be placed on the Watch List in 2025.¹

Executive Summary: In November 2023, the Uruguayan Copyright Act was amended to introduce a right to a “fair and equitable” remuneration for performers for the communication and making available to the public of phonograms and recordings of musical works on audiovisual works. The drafters of this unclear amendment did not consult rights holders in the audiovisual and music industries or the Uruguayan Copyright Council. Subsequently, the Executive Branch of the Uruguayan government published a decree (Decree) that contained additional ambiguous provisions. The Administration failed to consult with stakeholders in creating the Decree, which unfortunately imposes remuneration rights for audiovisual authors that are inconsistent with provisions of the Copyright Act. Further clarification is necessary to ensure that creative industry stakeholders are not harmed by the new law in combination with the Decree.

PRIORITY ACTION REQUESTED IN 2025

Legal Reform

- Clarify that the newly enacted performers’ making available remuneration right is not subject to compulsory collective management and that audiovisual authors’ remuneration rights are subject to individual exercise pursuant to Article 29 of the Law of 2019.

LEGAL REFORM

- **Clarify that the newly enacted performers’ making available remuneration right is not subject to compulsory collective management and that audiovisual authors’ remuneration rights are subject to individual exercise pursuant to Article 29 of the Law of 2019.**

In November 2023, the Uruguayan Copyright Act was amended to introduce a right to a “fair and equitable” remuneration for performers for the communication and making available to the public of phonograms and recordings of musical works on audiovisual works. The amendment’s language was unclear, and industry was concerned that the implementing regulation(s) would define the right as an unwaivable and untransferable right to an additional remuneration to be paid by digital service providers (DSP). If the right were defined this way, the local collective management organization (CMO) would be able to make a claim on behalf of performers despite any contractual agreement that the performer might have with a phonogram or audiovisual producer. Subsequently, Spotify threatened to leave the Uruguayan market. As a result, in December 2023, the Executive published the Decree, which included a provision clarifying that the remuneration described in the copyright amendment will be paid by the producer of phonograms that have signed a contract with the corresponding performer. The Decree also contained a provision establishing that platforms will not be responsible for payment of any additional remuneration to performers. The Decree also established a Commission at the Ministry of Industries, Energy and Mining to facilitate communication between producers and performers. The Commission met in January 2024 but has not made any recommendations publicly. The Decree also introduced a sweeping change in the management of existing remuneration rights for the benefit of audiovisual authors under its proposed Article 5. Under Article 29 of the Law of 2019, scriptwriters and

¹ For more details on Uruguay’s Special 301 history, see previous years’ reports at <https://www.iipa.org/reports/reports-by-country/>. For the history of Uruguay’s Special 301 placement, see <https://www.iipa.org/files/uploads/2025/01/Appendix-C-2025.pdf>.

authors could assert these rights individually or via a CMO. A Decree cannot override legislation; nevertheless, the local author's CMO, *Asociación General de Autores del Uruguay* (General Association of Authors of Uruguay, AGADU), immediately seized upon the language in Article 5 of the Decree, asserting a broad entitlement to collect remuneration including for the making available rights of all audiovisual authors. This inconsistency between the Decree and the underlying Copyright Act has introduced confusion, disrupting the market for distribution of U.S. audiovisual works for which remuneration is already paid via residuals under collectively bargained agreements between U.S. producers and authors of their works.

Further clarification from the Uruguayan government confirming the rights of authors and performers to manage their remuneration rights individually is needed. Additionally, clarification is necessary to define the parties which these remuneration rights, however exercised, will be enforced against, including streaming service platforms and users. It is critical that any additional implementing regulations do not impose unwaivable mandatory collective management.