



Consideration of Exceptions to Copyright in AI Era

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Key Focuses

1. Introduction
2. Copyright Ordinance Amendment for AI Development
3. HKRRLS Position and Legal Submissions
4. Advocacy for Rightsholders - Industry Briefing Held in March 2025
5. Conclusion and Policy Recommendations



Introduction



Strategic Vision for Hong Kong's IP Landscape

The People's Republic of China supports Hong Kong's development in several key areas:

①

Regional Intellectual Property (IP) Trading Centre: The plan endorses Hong Kong's advancement as a regional hub for IP trading, highlighting the city's role in the protection and commercialization of intellectual property.

②

East-meets-West Centre for International Cultural Exchange

Our Opportunities: IP Trading

Guangdong-Hong Kong-Macao Greater Bay Area (GBA)

- Ranked **2nd** in the top performing science and technology cluster in China
- Market size of over **86 million** population
- GDP over **US\$1.9 trillion**

Hong Kong as a Major Licensing Hub in Asia

- Contributes to Hong Kong's **US\$2.82 billion** IP use-related imports and exports and Mainland China's **US\$538.66 billion** IP use-related imports and exports, reinforcing Hong Kong's role as IP trading hub.

Source: Intellectual Property Department, HKSAR

About HKRRLS



The Hong Kong Reprographic Rights Licensing Society (HKRRLS) was established in 1995 by Hong Kong authors and publishers. HKRRLS is one of the six licensing bodies registered under the Intellectual Property Department in Hong Kong.

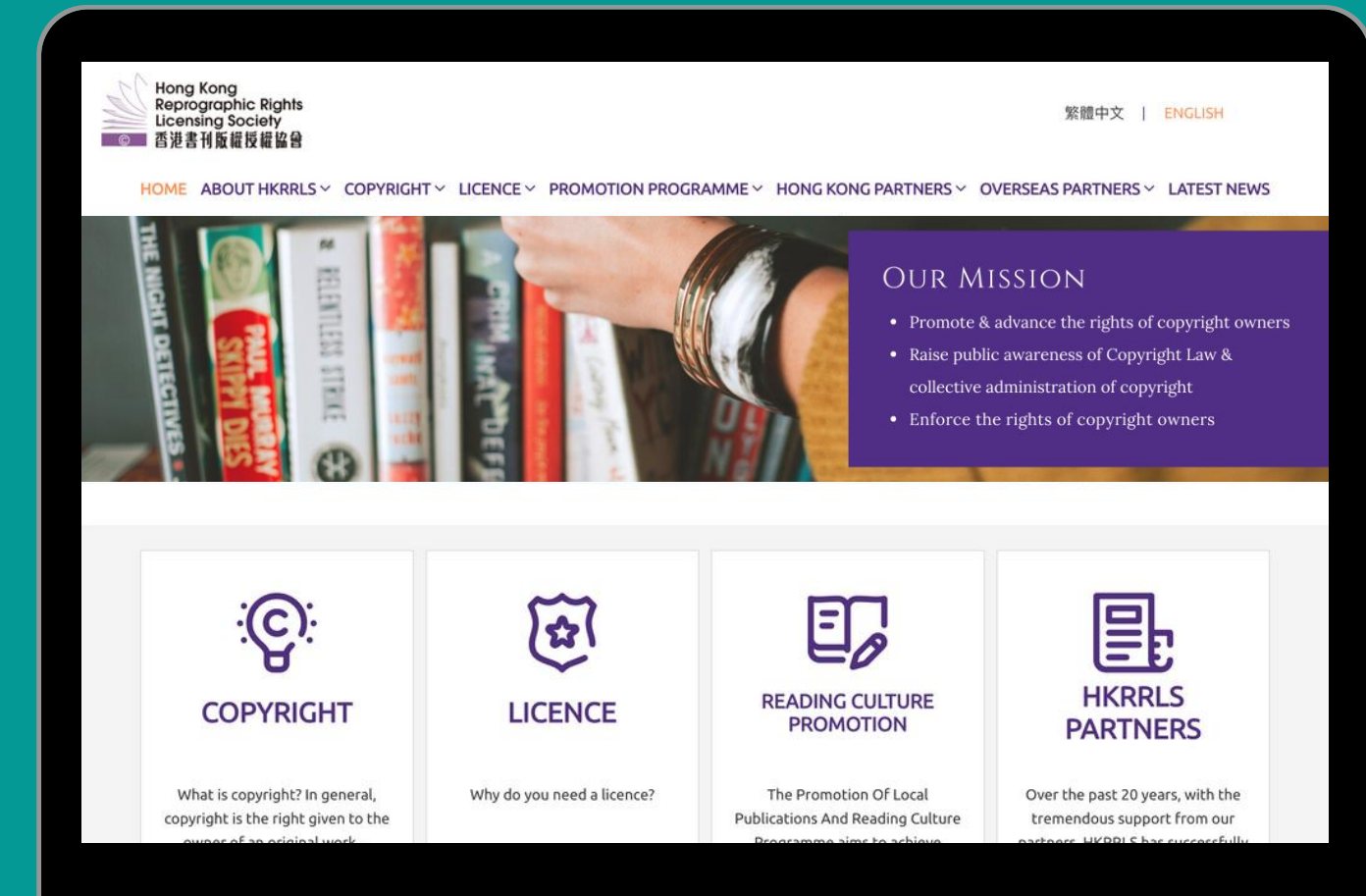


HKRRLS grants licenses to the public, including primary and secondary schools, tertiary institutions, government departments, public institutions, commercial organizations, associations, libraries, and photocopying shops.

HKRRLS represents millions of publications published in Hong Kong and overseas through its affiliation with the International Federation of Reproduction Rights Organizations (IFRRO).

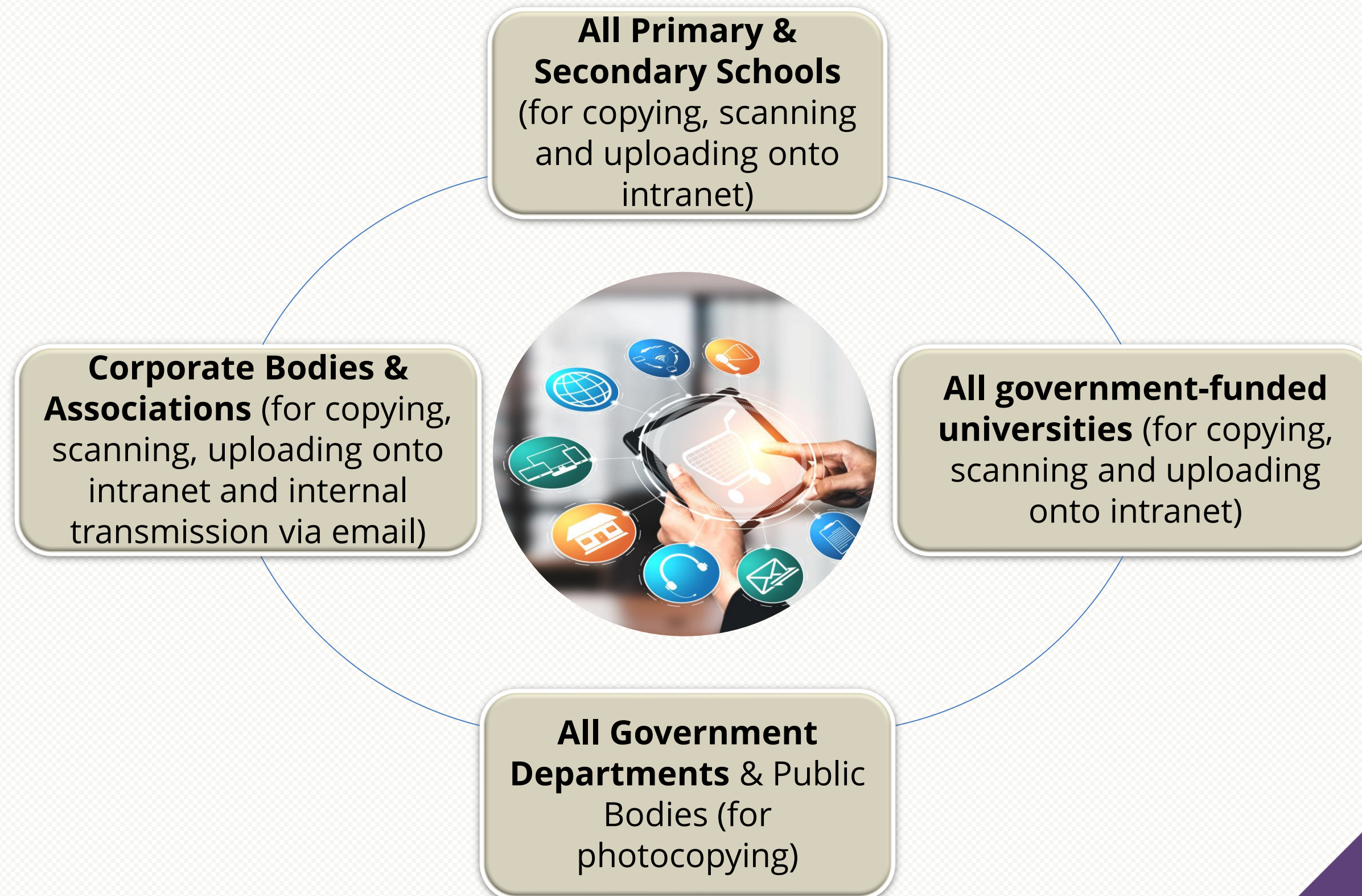


The aim of HKRRLS is to protect the intellectual property rights of its represented authors and publishers and raise public awareness of copyright and collective management organizations.



Licensing Agreements

HKRRLS Signed with Different Entities



Copyright Ordinance Amendment for AI Development

Copyright and Artificial Intelligence

Public Consultation Paper



Commerce and Economic Development Bureau
Intellectual Property Department

Public Consultation (July 2024)

①

63 written submissions from:

Copyright owners, IP professionals, tech sector, business chambers, NGOs

②

According to the HK Intellectual Property Department, majority of submissions showed support for reviewing the Ordinance in light of AI advancements

Government Stance and Proposals

01

Text and Data Mining (TDM) Exception

- Introduce specific, conditional exceptions
- Requirements:
 - Lawful access to copyrighted works
 - No use of infringing copies
 - Source disclosure
 - Exception inapplicable where licensing schemes exist
 - Rights Reservation option for rightsholders

02

International Alignment

- Benchmarked with practices in the EU, Japan, and Singapore

HKRRLS Position and Legal Submissions

Copyright and Artificial Intelligence

Public Consultation Paper



Commerce and Economic Development Bureau
Intellectual Property Department

HKRRLS Position and Legal Submissions

①

General Stance

- AI = productivity tool, ≠ creator
- Policy should preserve human creativity and protect authors' rights
- Need for **licensing override** protection

②

On AI-Generated Works

- Current law risks equating AI and human works
- Clarify that “originality” must be **human-centric**

③

On Infringement Liability

- Current Ordinance lacks clarity on AI’s use of copyrighted works for training
- Exploiting such works without consent is infringement
- Clarify infringement definitions to protect human-created content

Advocacy for Rightsholders – Industry Briefing Held in March 2025



Industry Briefing Held in March 2025

1

A joint Industrial Sharing Session was co-organised by **HKRRLS** and the **Hong Kong Publishing Federation (HKPF)**

3

Featured speakers included representatives from:

- **Intellectual Property Department (IPD)**
- **Commerce and Economic Development Bureau**
- **Legislative Council Member**
- **HKRRLS & HKPF**



2

Aimed to collect industry feedback on the proposed Text and Data Mining (TDM) exception amendments

4

Attended by stakeholders from a **wide spectrum of the creative industries**, including various trade book and education publishing associations, news and music licensing bodies

Industry Briefing Held in March 2025

01

The briefing session provided a platform to

- Raise awareness of copyright implications arising from the proposed amendments
- Emphasize the need for appropriate safeguards to protect rightsholders
- Reinforce the value of licensing schemes as a practical alternative to broad statutory exceptions

02

The briefing session underscored

- The need for a balanced and inclusive legislative approach
- Concerns about potential impact on rightsholders
- Support for licensing schemes as a viable and rights-respecting alternative to broad copyright exceptions

Key HKRRLS Positions Presented at the Briefing

1

TDM Exception Must Be Specifically Scoped

- Broad and open-ended TDM exceptions risk misuse and erosion of copyright protection
- Overly permissive rules could enable extraction and recombination of content in ways that undermine rightsholders



Key HKRRLS Positions Presented at the Briefing

2

Conditions Proposed for TDM Exceptions

- **Lawful access:** prohibit circumvention of technological protection measures
- **Transparency obligations:** developers must disclose sources and content used
- **Licensing override :** exception should be inapplicable if a licensing scheme exists
- **Study on feasible opt-in/opt-out/“rights reservation” mechanisms:** current models like the “Robot Exclusion Protocol” show implementation challenges
- **Restricted to non-commercial research use :** commercial TDM would breach the second and third limbs of the “three-step test”.

3

Affirmation of Licensing as a Solution

- Licensing offers a flexible and rights-respecting alternative to broad exceptions
- International examples include new AI/TDM licensing schemes by CCC (US) and CLA (UK)

Conclusion and Policy Recommendations



Conclusion and Policy Recommendations

- Leverage international licensing models and experienced collective management bodies
- Create a forward-looking copyright framework that supports innovation while safeguarding rights of authors and publishers

Thank You