

Pro-Copyright, Pro-AI: The Power of Collective Licensing

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INTRODUCTION

The transformative power of artificial intelligence (“AI”) is reshaping creative and technological landscapes, challenging the core principles of copyright law, and raising critical questions about access, ownership, and compensation. At the forefront of this evolution is the reliance of AI systems on vast datasets—comprising, *inter alia*, copyrighted works—that serve as the foundation for model training and innovation. This dependency has sparked a pivotal debate: How can we enable the development of AI while safeguarding the rights and investments of creators? Emerging as a crucial solution is the concept of AI-specific licensing, a framework that facilitates legal access to these works, ensuring that innovation is neither stifled nor achieved at the expense of those who fuel it. This nascent market not only holds the potential to redefine how AI systems interact with creative content but also to establish ethical and sustainable standards for the future of technological progress.

Copyright law, whether justified from a utilitarian perspective or a purely economic standpoint, fundamentally aims to stimulate the creation of creative works by providing economic incentives. This rests on the understanding that a thriving body of creative works enriches society and that, without adequate safeguards, the cost of reproducing such works in the digital age often falls to nearly nothing, eroding their economic value. The absence of profitability could discourage creators from producing new works, leading to a significant decline in creative output and societal benefits. Copyright addresses this challenge by counteracting the non-excludability of creative works, enabling their financial exploitation for a defined period, which motivates continued production and innovation.¹ However, this logic has not gone unchallenged,

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1. Robert M. Hurt and Robert M. Schuchman, *The Economic Rationale of Copyright*, 56 AM. ECON. REV. 421, 426 (1966); Arnold Plant, *The Economic Aspects of Copyright in Books*, 1 ECONOMICA, 167, 169–75 (1934).

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particularly in the face of the disruptions brought by the transformative technologies of each era.²

The evolution of new technologies has progressively expanded the contexts in which the individual exercise of rights has become either unfeasible or highly impractical. This issue has been particularly pronounced with the advent of online digital technologies, where individual rights holders increasingly face challenges in controlling the use of their works, engaging in negotiations with users, and securing appropriate remuneration. In response to these difficulties, some critics have advocated for the reduction of exclusive rights to mere remuneration rights or, in extreme cases, their abolition.³ However, given that copyright and related rights function as essential incentives for creativity and as recognition of the intellectual and financial investments underpinning creative works, such proposals fail to adequately address the broader purposes of these rights. A more constructive approach lies in the development of mechanisms that adapt rights management to contemporary technological and economic realities. Collective management organizations (“CMOs”),⁴ provide an effective solution by enabling rights holders to delegate key functions, including the monitoring of works, licensing negotiations, remuneration collection, and equitable distribution, thereby preserving the ability of rights holders to benefit from their works within a collective framework.⁵

At this stage, it is important to clarify that CMOs operating in the text and image sector—commonly referred to as the publishing sector—are known as Reproduction Rights Organisations (“RROs”).⁶ RROs manage rights on behalf of authors and

2. Marcella Favale, *Death and Resurrection of Copyright Between Law and Technology*, 23 INFO. & COMM’N. TECH. L. 117, 125 (2014); Mitchell Longan, *A System Out of Balance: A Critical Analysis of Philosophical Justifications for Copyright Law Through the Lenz of Users’ Rights*, 56 U. MICH. J.L. REFORM 779, 794–95 (2023).

3. Martin Kretschmer predicts a radical shift in copyright law, foreseeing a brief exclusivity period followed by a lifetime remuneration right, with criminal law limited to deceptive commercial exploitation. See Martin Kretschmer, *Digital Copyright: The End of an Era*, 25 EUR. INTELL. PROP. REV. 333 (2003). See also Joost Smiers, *The Abolition of Copyrights: Better for Artists, Third World Countries and the Public Domain*, 4 EUR. J. ARTS EDUC. 66 (2002).

4. The term “collective management organizations” traditionally implies “that actual collectives of authors, performers and owners of rights administer the rights concerned through appropriate bodies and administrative units established by them. In the case of such collective management, usually blanket licenses are granted to users, uniform tariffs and distribution rules are established, and deductions are made from the remuneration collected not only for administration costs but also for cultural and social purposes. The term is also frequently used, however, to cover all joint forms of exercising rights where licenses are available from a single source (rather than being granted on an individual basis).” See MIHÁLY FICSOR, GUIDE TO THE COPYRIGHT AND RELATED RIGHTS TREATIES ADMINISTERED BY WIPO AND GLOSSARY OF COPYRIGHT AND RELATED RIGHTS TERMS 275 (2003).

5. MIHÁLY FICSOR, COLLECTIVE MANAGEMENT OF COPYRIGHT AND RELATED RIGHTS 13–14 (3d ed. 2022).

6. The majority of RROs are members of IFRRO, which, as of the date of writing, includes over 160 members from around 90 countries across all continents. Collectively, IFRRO members represent millions of authors and publishers in the publishing sector. For more information, see *What is IFRRO*, IFRRO, <https://ifro.org/page/what-is-ifro/> [https://perma.cc/DD2C-52TA] [<https://web.archive.org/web/20250124191731/https://ifro.org/page/what-is-ifro/>] (last visited Jan. 24, 2025).

publishers of text- and image-based works, particularly in cases where rights holders either choose not to manage these rights themselves or where doing so is impractical or impossible.⁷ Their licensing and related activities predominantly focus on authorizing the reproduction of already legally published works, thereby addressing the secondary market.⁸

The market for text- and image-based works is divided into three segments: the primary market, the secondary market, and exceptions and limitations to exclusive rights granted to rightsholders.⁹ The primary market typically involves direct sales, whereas the secondary market encompasses uses such as the production of multiple photocopies of a book chapter for educational purposes—activities which are typically managed by RROs.¹⁰

RROs are usually established and governed jointly by authors and publishers, a group that includes writers of various genres, photographers, illustrators, visual artists, composers, lyricists, and publishers of books, journals, newspapers, sheet music, and other works in print or comparable digital formats.¹¹ These organizations grant licenses for specific uses, such as copying portions of published works, under terms acceptable to the authors and publishers.¹² Licenses generally cover reproduction by methods such as photocopying, printing, faxing, scanning, and certain forms of digital use by students, educators, researchers, or employees within institutions or companies.¹³

In light of the above, CMOs and RROs emerge as vital intermediaries within the copyright ecosystem, balancing the protection of rights holders' interests with the facilitation of lawful access to creative works. With the rapid advancement of AI, their role is undergoing significant evolution. As AI increasingly depends on large datasets of text- and image-based works, CMOs and RROs are uniquely positioned to manage rights effectively and equitably, ensuring the copyright framework remains robust. The emergence of AI-specific collective licensing markets underscores the critical importance of their function, reflecting a serious commitment to adapting copyright management to the challenges of the digital age and maintaining fair remuneration and access within an evolving technological landscape.

7. OLAV STOKKMO, THE ROLE OF COLLECTIVE LICENSING 4 (2019), https://prod.internationalpublishers.org/wp-content/uploads/2019/11/Olav_Stokkmo_-_The_Role_of_Collective_Licensing.pdf [https://perma.cc/Q8MW-EBTF] [https://web.archive.org/web/20250214230808/https://prod.internationalpublishers.org/wp-content/uploads/2019/11/Olav_Stokkmo_-_The_Role_of_Collective_Licensing.pdf].

8. *Id.* at 3.

9. OLAV STOKKMO, COLLECTIVE MANAGEMENT OF RIGHTS IN THE PUBLISHING SECTOR 2, https://ifro.org/resources/documents/General/Article_Collective_management_of_rights_in_the_publishing_sector_OSTOKKMO.pdf [https://perma.cc/44ZQ-LH6G] [https://web.archive.org/web/20240606144653/https://ifro.org/resources/documents/General/Article_Collective_management_of_rights_in_the_publishing_sector_OSTOKKMO.pdf] (last visited Feb. 23, 2025).

10. *Id.*

11. See IFRRO, COLLECTIVE MANAGEMENT OF COPYRIGHT: HOW REPRODUCTION RIGHTS ORGANISATIONS (RROs) FUNCTION 6 (2006).

12. *Id.* at 62–63.

13. TARJA KOSKINEN-OLSSON, COLLECTIVE MANAGEMENT OF TEXT AND IMAGE-BASED WORKS 16, 32 (2023).

The aim of this Article is to showcase the emerging AI licensing solutions pioneered by RROs and to explore how these frameworks address the challenges posed by AI's reliance on copyrighted works. The discussion begins with a primer on the structure and operation of collective management frameworks, highlighting their effectiveness in managing rights for secondary uses. Following this, the Article examines the necessity of licensing in the AI context, emphasizing why exceptions and limitations under current copyright regimes are insufficient to adequately address the complexities of AI training. This section underscores the limitations of existing legal frameworks and the potential harm to rightsholders if AI systems continue to use copyrighted works without appropriate permissions or compensation. Finally, the Article presents an analysis of the emerging licensing solutions tailored to AI, illustrating how these initiatives by RROs are not only meeting the demands of the AI market but are also paving the way for sustainable and equitable practices at the intersection of copyright and technology.

I. RROS AND COLLECTIVE MANAGEMENT OF RIGHTS

RROs began their operation in the 1970s and 1980s, in response to requests from educational institutions to copy legally from published works when the whole book, journal, etc. was not needed. The first licensing agreement on reprography was signed in Sweden, in 1973, by the RRO Bonus Copyright Access and the Ministry of Education for reprographic copying in schools, universities, colleges, and other education institutions.¹⁴ This was quickly followed by Copyright Agency ("CA") in Australia,¹⁵ and Copyright Clearance Center ("CCC") in the USA,¹⁶ organizations set up specifically to handle collective management of text and image-based works.¹⁷ In several other countries, RRO activities were added to the tasks of already established CMOs, e.g., VG Wort (Germany), Literar-Mechana (Austria), and ProLitteris (Switzerland).¹⁸ Similarly, in Africa, multi-repertoire CMOs added the collective management of reprography to their activities, such as COSOMA (Malawi) and BBDA (Burkina Faso).¹⁹

14. STOKKMO, *supra* note 9, at 1; *see also* *Vår Historia*, BONUS, <https://www.bonuscopyright.se/om-bonus/var-historia/> [https://perma.cc/JT75-3P7P] [https://web.archive.org/web/20250327121017/https://www.bonuscopyright.se/om-bonus/var-historia/] (last visited Feb. 23, 2025).

15. STOKKMO, *supra* note 9, at 1; *see also* *Our Heritage*, COPYRIGHT AGENCY, <https://www.copyright.com.au/about-us/our-heritage/> [https://perma.cc/54PV-JYFZ] [https://web.archive.org/web/20250327121157/https://www.copyright.com.au/about-us/our-heritage/] (last visited Feb. 22, 2025).

16. STOKKMO, *supra* note 9, at 1; *see also* Robert Harington, *Copyright in a Digital Era: The Rise and Rise of CCC*, SCHOLARLY KITCHEN (Nov. 22, 2013), <https://scholarlykitchen.sspnet.org/2013/11/22/copyright-in-a-digital-era-the-rise-and-rise-of-ccc/> [https://perma.cc/MJJ6-MNLK] [https://web.archive.org/web/20250327121105/https://scholarlykitchen.sspnet.org/2013/11/22/copyright-in-a-digital-era-the-rise-and-rise-of-ccc/].

17. STOKKMO, *supra* note 9, at 1.

18. *Id.*

19. *Id.*

In some countries, multiple RROs operate to manage different rights or serve distinct linguistic and regional communities. For example, in Canada, Access Copyright serves as the RRO for English-language works,²⁰ while Copibec operates in Québec, managing rights for French-language works.²¹ Similarly, Germany has three RROs with sector-specific mandates: VG Wort oversees text-based works,²² VG Bild-Kunst manages rights in visual arts,²³ and VG Musikedition handles printed music.²⁴

Educational institutions are by far the heaviest user of copies of excerpts from copyright published works. Practical solutions are required to enable education providers to legally copy chapters, single articles, and other extracts from published works, and educational institutions continue to be the main beneficiaries of RRO services.²⁵ However, many RROs also offer licensing solutions beyond the education sector, including for government bodies, private and public corporations and administrations, libraries, bands and choirs, media monitoring companies, and, in many countries, copy shops.²⁶

The foundation of international copyright law is the Berne Convention for the Protection of Literary and Artistic Works (“Berne Convention”), and the right of reproduction, which states that the author of a literary or artistic work has the exclusive right to authorize or prohibit the reproduction of their work “in any manner or form.”²⁷ In the digital environment, the right of communication to the public, including making available to the public, encompasses the right to authorize any communication to the public, by wire or wireless means, including “the making available to the public of works in a way that the members of the public may access the work from a place and at a time individually chosen by them.”²⁸ This covers, in particular, on-demand, interactive communication through the Internet, including via databases offered to

20. *Id.*; see also *About, ACCESS COPYRIGHT*, <https://www.accesscopyright.ca/about-us/> [<https://perma.cc/8FSD-YEAX>] [<https://web.archive.org/web/20250313234050/https://www.accesscopyright.ca/about-us/>] (last visited Feb. 22, 2025).

21. STOKKMO, *supra* note 9, at 1; see also *About, COPIBEC*, <https://www.copibec.ca/fr/mission> [<https://web.archive.org/web/20250327121320/https://www.copibec.ca/fr/mission>] (last visited Feb. 22, 2025).

22. STOKKMO, *supra* note 9, at 1; *Wahrnehmungsvertrag, VG WORT*, <https://www.vgwort.de/dokumente/wahrnehmungsvertrag.html> [] (last visited Feb. 22, 2025).

23. STOKKMO, *supra* note 9, at 1; see also *Über Uns, BILD KUNST*, https://www.bildkunst.de/ueber_uns/ [<https://perma.cc/AMQ8-VV9V>] [<https://perma.cc/PC4A-99WC>] (last visited Feb. 22, 2025).

24. STOKKMO, *supra* note 9, at 1; see also *VG MUSIKEDITION, ABOUT US*, https://vg-musikedition.de/uploads/vg_about_us_6326e5c859.pdf [<https://perma.cc/PC4A-99WC>] [https://web.archive.org/web/20241008235341/https://vg-musikedition.de/uploads/vg_about_us_6326e5c859.pdf] (last visited Feb. 22, 2025).

25. STOKKMO, *supra* note 9, at 2.

26. *Id.* For an overview of the individual RRO licensing, see *Membership List, IFFRO*, <https://iffro.org/page/membership-list/> [<https://perma.cc/N8DZ-A49C>] (last visited Jan. 24, 2025).

27. Berne Convention for the Protection of Literary and Artistic Works art. 9, Sept. 9, 1886, *as revised* July 24, 1971 and *as amended* Sept. 28, 1979, S. TREATY DOC. NO. 99-27 (1986) [hereinafter, *Berne Convention*].

28. WIPO Copyright Treaty (WCT) art. 8, Dec. 20, 1996, 2186 U.N.T.S. 121.

registered students by the use of passwords, and where students can retrieve the materials irrespective of their location.

Building on this framework, the reproduction of works can take various forms, including printing, copying on paper or analogue copying, scanning, digital copying, and electronic storage in databases. Although rights holders maintain their exclusive rights, these rights may be subject to exceptions or limitations in line with the three-step test as enshrined in the international legal framework.²⁹ As a result, large-scale analogue and digital copying typically require licensing, and while certain countries have introduced exceptions or limitations for the use of text and image-based works in libraries, educational, or research settings, adherence to the three-step test remains essential.³⁰

Common law jurisdictions often rely on “fair use” or “fair dealing” provisions, whereas civil law-based legislations typically emphasize “private use.” The principle of “fair use,” as implemented in legislations like that of the United States, provides certain limitations on the exclusive rights of copyright holders.³¹ The concept of “fair dealing,” as exemplified in Section 29 of the U.K. Copyright, Designs, and Patents Act, allows limited reproduction for purposes such as research or private study, provided it is for non-commercial purposes.³² In jurisdictions such as the U.K., Jamaica, Kenya, and Hong Kong, the right to use works under exceptions may not apply if a suitable licensing agreement is available (a so-called “license override”).³³ Educational institutions, for example, are obligated to negotiate a license agreement with the respective RRO if they are aware of an applicable license.

Many jurisdictions also provide for “private copying,” which allows reproduction for personal use under exceptions or limitations to the exclusive reproduction right. However, this is typically subject to fair compensation for rights holders to account for revenue loss or harm. This remuneration, which does not replace licensing, has become an important and stable source of income for authors and rights holders worldwide, contributing to enhanced creativity.³⁴

29. Berne Convention, *supra* note 27, art. 9(2). For more details, see *supra* section II.

30. For a more detailed discussion, see Robert J. Congleton & Sharon Q. Yang, *A Comparative Study of Education Exemptions to Copyright in the United States and Europe*, 3 ATHENS J.L. 47 (2016).

31. Fair use is determined by a balanced application of four factors outlined in Section 107 of the U.S. Copyright Act, as interpreted by case law. These factors include: (1) the purpose and character of the use; (2) the nature of the copyrighted work; (3) the amount or substantiality of the portion used; and (4) the effect of the use on the market value of the original work. No single factor is decisive; instead, courts weigh them collectively, considering the specific circumstances of each case. See 17 U.S.C. § 107; *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 569 (1994) (“Section 107, which provides that ‘the fair use of a copyrighted work . . . for purposes such as criticism [or] comment . . . is not an infringement . . .,’ continues the common-law tradition of fair use adjudication and requires case-by-case analysis . . .”).

32. Copyright, Designs & Patents Act 1988, c. 48, § 29 (U.K.).

33. STOKKMO, *supra* note 9, at 2; see Copyright, Designs & Patents Act 1988, c. 48, § 29 (U.K.); Copyright Act, §§ 52–55 (Jam.); Copyright Act, No. 12 of 2001 (Rev. 2017), § 26(1)(a) (Kenya); Copyright Ordinance, (2019) Cap. 528, §§ 38–41A (H.K.).

34. See IFFRO, INTERNATIONAL SURVEY ON TEXT AND IMAGE COPYRIGHT LEVIES (2016); STICHTING DE THUISKOPIE, INTERNATIONAL SURVEY ON PRIVATE COPYING: LAW AND PRACTICE 2016 (2017).

To facilitate private copying remuneration, some countries have adopted systems of obligatory collective management for its collection and distribution. The list of equipment and media included in private copying schemes varies among countries. Some jurisdictions have expanded their schemes to include “storage media of any kind” to address technological advancements. Additionally, new technologies such as cloud services have been incorporated into private copying frameworks in certain countries, reflecting the rapidly changing digital landscape.

It is important to highlight that these operational models exist and have developed historically around the world, regardless of the development of AI. Also, no new operational models have been created for the management of AI-related uses.

A. COLLECTIVE MANAGEMENT OPERATIONAL MODELS

Generally speaking, the operational model of an RRO is shaped by legislation and can include various approaches, such as obligatory collective management, presumption-based collective management, voluntary collective management, and extended collective licensing. Regardless of the model, certain foundational principles must be maintained: ensuring equitable remuneration for authors and publishers and facilitating legal access to works in an evolving technological environment. It is not uncommon for RROs to operate using multiple models, depending on the usage area and legislative framework.³⁵

1. Voluntary Collective Licensing

Under voluntary collective licensing, the RRO issues licenses to copy material on behalf of those rights holders who have given it a mandate to act on their behalf, as well as through agreements concluded with RROs in other countries.³⁶ Mandates from rights holders can be exclusive or non-exclusive. For instance, in the United States, CCC offers non-exclusive agreements with rights holders only and rights holders can sometimes even set individually the price of each work;³⁷ similarly, this is the case in South Africa and Zambia.³⁸ In certain countries, such as Argentina, there is no exception to the right of reproduction, which means that any copying from a copyright work requires authorization.³⁹

35. See IFRRO, MEMBERS DIRECTORY (2024), <https://ifrro.org/resources/documents/publications/public/ifrro-directory-2024.pdf> [https://perma.cc/5S9G-VC2R] [https://web.archive.org/web/20240828121354/https://ifrro.org/resources/documents/publications/public/ifrro-directory-2024.pdf].

36. See STOKKMO, *supra* note 9, at 3; FICSOR, *supra* note 5, at 26.

37. FICSOR, *supra* note 5, at 26.

38. STOKKMO, *supra* note 9, at 3.

39. See Law No. 11723, Sept. 30, 1933 (Arg.), <https://www.wipo.int/wipolex/en/legislation/details/21169> [https://perma.cc/V85G-KDLX]; Law No. 25446, art. 23 (Arg.), https://www.uaipit.com/uploads/legislacion/files/0000006364_Ley_25446_Ley_de_fomento_del%20libro

Even in the case of voluntary licensing, copyright legislation can include stipulations that govern the operations of the RRO.⁴⁰ In the United Kingdom, licensing bodies such as the Copyright Licensing Agency (“CLA”) are subject to the jurisdiction of the copyright tribunal, while an educational licensing scheme with CLA is underpinned by a copyright exception, i.e., where a particular work is not included in a license, an educational establishment would still be able to copy it in the defined case of the exception.⁴¹ This is also the case in Botswana, Eswatini, Ghana, Kenya, Mauritius, Nigeria and Zanzibar, and in Asian (Hong Kong), Caribbean (Barbados, Jamaica, Trinidad & Tobago) and European (Ireland, in addition to the U.K.) countries.⁴²

2. Extended Collective License

The laws of some countries, initially in the Nordic countries, extend licensing agreements negotiated voluntarily on the basis of rightsholder mandates to also cover works of non-mandating rights holders.⁴³ In this Extended Collective Licensing (“ECL”) system, the law extends the effects of a copyright license to also cover the works of non-represented rights holders.⁴⁴ The CMO issuing such a license must distribute the remuneration to represented and non-represented rights holders on an equal basis.⁴⁵ It is a prerequisite that the RRO represents a substantial number of rights holders whose works are used under the specific licensing agreement; the system is best suited to countries where rights holders are well organized and represented. Non-represented rights holders have in most cases the right to prohibit the use of their work (opt-out),⁴⁶ and the CMO has the obligation to inform users of such cases.⁴⁷ Apart from the Nordic countries, among others the Czech Republic, Hungary, Romania, and

_es_2001_06_27.pdf [https://perma.cc/5PX6-GHBQ]
[https://web.archive.org/web/20250430172528/https://www.uaipit.com/uploads/legislacion/files/00000
06364_Ley_25446_Ley_de_fomento_del%20libro_es_2001_06_27.pdf].

40. STOKKMO, *supra* note 9, at 3.

41. *Do You Need a Licence?*, CLA, <https://cla.co.uk/cla-products/do-you-need-a-licence/> [https://perma.cc/W88S-MX39] [https://web.archive.org/web/20250430175538/https://cla.co.uk/cla-products/do-you-need-a-licence/] (last visited Apr. 30, 2025).

42. STOKKMO, *supra* note 9, at 3.

43. *Id.*; FICSOR, *supra* note 5, at 27.

44. FICSOR, *supra* note 5, at 27.

45. IFRRO, A QUICK GUIDE TO DISTRIBUTION OF COPYRIGHT REVENUE IN THE TEXT AND IMAGE BASED SECTOR 6 (2011), [https://ifro.org/resources/documents/booklets/public/f-distributionquick_guide2012_final\(1\).pdf](https://ifro.org/resources/documents/booklets/public/f-distributionquick_guide2012_final(1).pdf) [https://perma.cc/DB36-4RM4] [https://web.archive.org/web/20250430175038/https://ifro.org/page/article-detail/ifro-publishes-guide-to-distribution-of-copyright-revenue-1961/].

46. FICSOR, *supra* note 5, at 27.

47. IFRRO, *supra* note 11, at 27.

Slovenia have introduced some form of ECL into their national legislation.⁴⁸ A further example of the ECL system comes from Malawi.⁴⁹

3. Legal Presumption of Representation

Under this mechanism, a representative RRO is presumed to represent the interests and rights of both member and non-member rights holders; this is the case, for instance, in Germany, where VG Wort, the RRO managing out-of-commerce works is presumed to represent non-member rights holders under certain conditions.⁵⁰

4. Obligatory Collective Management

Reprographic reproduction may also be made subject to obligatory collective management, such as in Senegal and France.⁵¹ The obligatory collective management model is also called mandatory or compulsory collective management. In the case of obligatory collective management, rights holders cannot make claims on an individual basis.⁵² In France, rights holders are legally obliged to make claims only through a CMO approved by the Ministry of Culture.⁵³ CFC is the RRO appointed by the French Ministry of Culture to manage reprographic reproduction rights.⁵⁴ By virtue of the law, it represents all French and foreign works.⁵⁵ While the obligatory collective management only applies to photocopying, CFC can license digital copying under a voluntary mechanism and extended collective management for digital uses in education.⁵⁶ This type of management has been adopted in a number of countries for

48. WIPO, COLLECTIVE MANAGEMENT OF TEXT AND IMAGE-BASED WORKS 35–36 (2023), <https://www.wipo.int/edocs/pubdocs/en/wipo-pub-924-2023-en-collective-management-of-text-and-image-based-works.pdf> [https://perma.cc/UTB4-V3PR] [https://web.archive.org/web/20240927055844/https://www.wipo.int/edocs/pubdocs/en/wipo-pub-924-2023-en-collective-management-of-text-and-image-based-works.pdf].

49. STOKKMO, *supra* note 9, at 3.

50. IFRRO, LICENSING OF OUT-OF-COMMERCE WORKS: AN IFRRO GUIDE 44, https://ifro.org/resources/documents/general/ifro%20guide-licensing%20of%20oocw_final.pdf [https://perma.cc/8NQN-GLZP]

[https://web.archive.org/web/20240712165141/https://ifro.org/resources/documents/general/IFRRO%20Guide-licensing%20of%20OOCW_final.pdf].

51. STOKKMO, *supra* note 9, at 3.

52. FICSOR, *supra* note 5, at 27.

53. *Id.*

54. *Id.*

55. *Id.* at 28.

56. See CFC, <https://www.cfcopies.com/> [https://perma.cc/EQ4G-53Y3] [https://web.archive.org/web/20250430183754/https://www.cfcopies.com/] (last visited Apr. 30, 2025); IFRRO, DIGITAL BUSINESS MODELS 8 (2010), [https://ifro.org/resources/documents/booklets/public/g-ifro_brochure_web\(2\).pdf](https://ifro.org/resources/documents/booklets/public/g-ifro_brochure_web(2).pdf) [https://web.archive.org/web/20220519162639/https://ifro.org/resources/documents/booklets/public/g-ifro_brochure_web(2).pdf].

reproduction for private and personal purposes, including Lithuania, Poland, and Romania.⁵⁷

5. Legal Licenses

Under a legal license regime, the license to copy is given by law.⁵⁸ Rights holders have a right to remuneration, which is collected by an RRO;⁵⁹ thus, a legal license constitutes a remuneration right, instead of an exclusive right. Under a statutory license, the royalty rate to be paid is also determined by statute.⁶⁰ If rights holders can negotiate the royalty rate with users, the term compulsory license is used in some jurisdictions. In Australia, education licenses and government copying schemes are managed by Copyright Agency as the RRO, based on a scheme where parties can negotiate the license fees.⁶¹ For other sectors, such as businesses, voluntary licenses are offered. Similar provisions are in place in Singapore, and many Francophone countries in Africa, such as Burkina Faso and Côte d'Ivoire.⁶²

In Switzerland, a legal license covers schools, public administration, libraries, copy shops, services, trade, and industry.⁶³ Tariffs are not fixed by statute, but negotiated between the national RRO, ProLitteris, and users' associations, and are subject to ratification by the Federal Arbitration Commission.⁶⁴ In Japan, the Society for the Administration of Remuneration for Public Transmission for School Lessons ("SARTRAS") operates under a statutory license for specific public transmissions of all types of copyright works, including books, magazines, music, arts, photographs, broadcasting programs, etc., of both domestic and international origin.⁶⁵

B. PRIVATE COPYING AND REPROGRAPHY LEVY FOR TEXT AND IMAGE-BASED WORKS

In a private copying remuneration system, also called a levy system, a copyright fee is added to or incorporated into the price of copying equipment and media, which can be used to reproduce copyright protected works. The collection is usually taken care of by a CMO. The model was first developed for reprography in Germany in the 1980s and has since been implemented in many countries in and outside Europe, for instance in Algeria, Burkina Faso, Côte d'Ivoire, Ghana, and Malawi.⁶⁶

57. WIPO, *supra* note 48, at 37.

58. FICSOR, *supra* note 5, at 28.

59. *Id.*

60. *Id.*

61. *Id.*

62. IFRRO, *supra* note 11, at 43 (Singapore); WIPO, *supra* note 48, at 40 (Burkina Faso and Côte d'Ivoire).

63. FICSOR, *supra* note 5, at 28.

64. *Id.*

65. For more information about SARTRAS, see <https://sartras.or.jp/> [<https://perma.cc/NE2E-MDXU>] [<https://web.archive.org/web/20250430185159/https://sartras.or.jp/>].

66. STOKKMO, *supra* note 7, at 13.

In the text and image sector, the system often includes two types of levies, sometimes supplemented by an operator fee. The first type is the private copying levy, where a fee is collected for equipment and media that can be used to copy various types of protected works, such as PCs, smartphones, and tablets.⁶⁷ Examples of countries implementing this system include France, the Netherlands, and Ghana.⁶⁸ The second type is a combination of the private copying levy and a reprography levy.⁶⁹ This system includes a private copying levy alongside a separate reprography levy, which applies to equipment specifically designed to reproduce text and image-based works, such as multifunctional copying machines, scanners, and printers.⁷⁰ This approach is seen in countries like Burkina Faso and Germany.⁷¹ Unlike the private copying levy, the reprography levy is generally not limited to private use.

In addition to these levies, an operator fee is often payable by entities such as copy shops, schools, colleges, universities, libraries, government institutions, and research organizations.⁷² This fee can be an annual flat fee per device or a fee proportional to the number of copies made. Authors and publishers benefit from three primary sources of income for reprographic and similar reproduction and use of textual and visual works, as managed by RROs.⁷³ These sources include remuneration collected on reprographic equipment at the point of import or manufacturing, as compensation for personal use (e.g., in Algeria and Morocco⁷⁴), payment for actual use (e.g., in Senegal⁷⁵), and a share of private copy remuneration collected on multimedia equipment and

67. WIPO, INTERNATIONAL SURVEY ON PRIVATE COPYING 10–11 (2016), https://www.wipo.int/edocs/pubdocs/en/wipo_pub_1037_2017.pdf [<https://perma.cc/4KNZ-86Y5>] [https://web.archive.org/web/20250430185401/https://www.wipo.int/edocs/pubdocs/en/wipo_pub_1037_2017.pdf].

68. For a list of countries which remunerate authors and publishers of published works through a reprography levy system, see IFRRO list of members at <https://ifrrro.org/page/membership-list/> [<https://perma.cc/MHY7-YCZK>] [<https://web.archive.org/web/20250430185650/https://ifrrro.org/page/membership-list/>] (last visited Apr. 30, 2025).

69. WIPO-IFRRO, INTERNATIONAL SURVEY ON TEXT AND IMAGE LEVIES 9 (2016), https://www.wipo.int/edocs/pubdocs/en/wipo_pub_1042_2017.pdf [<https://perma.cc/39EZ-HTT6>] [https://web.archive.org/web/20250430190430/https://www.wipo.int/edocs/pubdocs/en/wipo_pub_1042_2017.pdf].

70. *Id.* at 9.

71. *Id.*

72. *Id.* at 10.

73. *Id.*

74. *Id.* at 43.

75. See *Sénégalaise des Droits d'Auteurs et des droits Voisins (La SODAV)*, <https://lasodav.sn/web/> [<https://perma.cc/UP3K-38X5>] [<https://web.archive.org/web/20250430191716/https://lasodav.sn/web/>] (last visited Apr. 30, 2025); Law No. 2008-09 of Jan. 25, 2008, *Droit d'auteur et les droits voisins* [Copyright and related rights] art. 36 (Sen.), <https://www.droit-afrique.com/upload/doc/senegal/Senegal-Loi-2008-09-droits-auteur.pdf> [<https://perma.cc/5RFB-CHV8>] [<https://web.archive.org/web/20250430191403/https://www.droit-afrique.com/upload/doc/senegal/Senegal-Loi-2008-09-droits-auteur.pdf>].

devices that can also reproduce or store text- and image-based works, such as USB sticks, PCs, smartphones, and tablets.⁷⁶

In many cases, countries adopt two or all three of these payment sources. For example, in France, Ghana, Malawi, and Côte d'Ivoire, two sources of income apply,⁷⁷ while Burkina Faso, Austria, and Germany utilize all three.⁷⁸ The methods of payment for reprographic and similar reproduction managed by RROs on behalf of text and image authors and publishers vary across jurisdictions. These methods may include a fee per student or employee, as seen in Botswana,⁷⁹ remuneration collected on reprographic equipment such as photocopiers, printers, and scanners (e.g., in Algeria and Morocco⁸⁰), or a lump sum per institution based on the number of students or employees, as practiced in Tanzania.⁸¹

II. WHY AI NEEDS LICENSING?

Before delving into the collective management framework and the AI licensing solutions developed by RROs in recent months, it is crucial to firstly address the underlying need for such mechanisms.

High-quality AI outputs are contingent on the breadth and depth of the datasets used during training. Text and data mining (“TDM”) processes, which are integral to AI development—yet not completely synonymous with AI training—involve the systematic extraction, reproduction, and ingestion of textual and data-based content to enable models to identify patterns, generate predictions, and refine their responses.⁸² This dependence on extensive datasets often intersects with the domain of copyright law, as much of the data required for training consists of protected works, including text, images, and database contents. When this content is sourced from copyrighted materials or other legally protected subject matter, the reproduction right becomes a critical legal consideration.

The use of copyright-protected material in the training datasets of large language models (“LLMs”) raises significant concerns regarding unauthorized copying. This

76. WIPO, *supra* note 67. For a list of countries with a private copying remuneration system, see INT'L CONFEDERATION SOC'YS AUTHORS & COMPOSERS (CISAC), PRIVATE COPYING GLOBAL STUDY (2020), <https://www.cisac.org/services/reports-and-research/private-copying-global-study> [<https://perma.cc/4MK5-4FV8>].

77. IFRRO, OVERVIEW OF MODELS OF OPERATION UNDER NATIONAL EXCEPTIONS AND LIMITATIONS REGARDING EDUCATIONAL ACTIVITIES 19, <https://ifrro.org/resources/documents/general/africa.pdf> [<https://perma.cc/F6D8-EFYN>] [<https://web.archive.org/web/20250430192351/https://ifrro.org/resources/documents/general/africa.pdf>]

78. STOKKMO, *supra* note 9, at 4.

79. *Id.*

80. *Id.*

81. See STOKKMO, *supra* note 7, at 13.

82. “[T]ext and data mining’ means any automated analytical technique aimed at analysing text and data in digital form to generate information which includes but is not limited to patterns, trends and correlations[.]” Directive 2019/790, of the European Parliament and of the Council of 17 April 2019 on Copyright and Related Rights in the Digital Single Market and Amending Directives 96/9/EC and 2001/29/EC, art. 2(2), 2019 O.J. (L 130).

occurs at two levels: the creation of temporary copies during the training process and the retention of numerical representations of the training data within the model post-training.⁸³ Both scenarios may result in copyright liability, owing to the extensive scope of the reproduction right.⁸⁴ Additionally, LLMs are capable of retaining elements of the original works included in their training data, potentially preserving and reproducing expressions from these works. As noted by Marmanis, the training of LLMs inherently involves copying that may encapsulate the creative expressions of the original materials.⁸⁵ Empirical research supports this observation, revealing that LLMs can memorize portions of their training data and, under specific prompts, reproduce it verbatim or with only minor variations.⁸⁶

Several jurisdictions, including Japan,⁸⁷ Singapore,⁸⁸ the European Union,⁸⁹ and the United Kingdom,⁹⁰ have introduced specific TDM exceptions. However, these measures risk undermining the creative ecosystem by allowing the use of protected works without adequate safeguards for rights holders. Importantly, the mere existence of a TDM exception does not grant unrestricted freedom to use entire repertoires of protected content for AI training. When determining whether a national TDM provision applies in a given case, courts must not only assess compliance with the specific conditions of the exception but also ensure adherence to the three-step test.

The three-step test, enshrined in Article 9(2) of the Berne Convention, establishes that exceptions and limitations to copyright are permissible only if they satisfy three cumulative and sequential conditions: (i) they must apply to certain special cases; (ii) they must not conflict with the normal exploitation of the work; and (iii) they must not unreasonably prejudice the legitimate interests of the rightsholder.⁹¹ The text of the test

83. See Daniel J. Gervais et al., *The Heart of the Matter: Copyright, AI Training, and LLMs* J. COPYRIGHT SOC'Y (forthcoming) (manuscript at 13).

84. For more details see Eleonora Rosati, *Infringing AI: Liability for AI-Generated Outputs Under International, EU, and UK Copyright Law*, EUR. J. RISK REGULATION 1, 7–8 (2004).

85. Babis Marmanis, *Heart of the Matter: Demystifying Copying in the Training of LLMs*, DATAVERSITY (Feb. 2, 2024), <https://www.dataversity.net/heart-of-the-matter-demystifying-copying-in-the-training-of-llms/> [https://perma.cc/G5TB-MTYA] [https://web.archive.org/web/20250124223812/https://www.dataversity.net/heart-of-the-matter-demystifying-copying-in-the-training-of-llms/].

86. See, e.g., Nicholas Carlini et al., *Quantifying Memorization Across Neural Language Models*, ARXIV (Mar. 6, 2023), <https://arxiv.org/pdf/2202.07646> [https://perma.cc/76X6-DSNQ] [https://web.archive.org/web/20250209033932/https://arxiv.org/pdf/2202.07646]; Stella Biderman et al., *Emergent and Predictable Memorization in Large Language Models*, ARXIV (May 31, 2023), <https://arxiv.org/pdf/2304.11158> [https://perma.cc/R32T-YVRP] [https://web.archive.org/web/20250327131328/https://arxiv.org/pdf/2304.11158].

87. Chosakukenhō [Copyright Act], Act No. 48 of 1970, art. 30–4 (Japan).

88. Copyright Act 2021, part 5, div. 8, § 244 (Sing.).

89. See Directive 2019/790, of the European Parliament and of the Council of 17 April 2019 on Copyright and Related Rights in the Digital Single Market and Amending Directives 96/9/EC and 2001/29/EC, art. 2(2), 2019 O.J. (L 130) 92; *id.* art. 4.

90. Copyright, Designs and Patents Act 1988, c. 3, § 29A (Eng.).

91. Berne Convention, *supra* note 27, art. 9(2); see also Agreement on Trade-Related Aspects of Intellectual Property Rights art. 13, Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, 1869 U.N.T.S. 299; World Intellectual Property Organization (WIPO) Copyright Treaty art. 10, Dec. 20, 1996, 2186 U.N.T.S. 121 (containing similar stipulations).

highlights the necessity of meeting all three criteria collectively and in sequential order,⁹² aiming to recalibrate the evolving balance of copyright law, particularly in light of advancements in reproduction technologies and the challenges posed by the digital environment.⁹³

As Rosati correctly highlights, the broad copying of protected content for training especially of generative AI models, and especially in cases where such use could reasonably be licensed by rightsholders, may violate the TDM exception.⁹⁴ This is due to the second requirement of the three-step test, which prohibits uses that conflict with the normal exploitation of a work. Furthermore, employing protected content to train AI systems capable of producing outputs that substitute for the original works—or for content protected under related rights—would also fall outside the scope of the TDM exception and limitation, failing to meet its legal requirements.

This principle is also reflected in the U.S. context under the fair use doctrine. As noted in the 2000 WTO Panel Report on *United States—Section 110(5) of the US Copyright Act*, an exception or limitation conflicts with the normal exploitation of a work when the exempted uses compete economically with the ways rightsholders typically derive value from their rights, “thereby depriv[ing] them of significant or tangible commercial gains.”⁹⁵ More recently, the 2023 U.S. Supreme Court decision in *Andy Warhol Foundation for the Visual Arts, Inc. v. Goldsmith* highlighted that the fairness of unlicensed uses of protected content, including for AI training, depends significantly on the availability of a licensing market for such purposes.⁹⁶ As licensing models for training data continue to evolve, the applicability of fair use to AI training on unlicensed protected works appears increasingly uncertain, according to Ginsburg.⁹⁷

In sum, the evolving legal landscape surrounding AI training highlights the need for innovative frameworks that recognize both the potential of generative AI and the enduring importance of copyright protection. While certain jurisdictions have introduced TDM exceptions, the applicability and scope of these exceptions remain limited and uncertain. Sole reliance on exceptions is neither viable nor legally certain, as each claim must satisfy the still untested conditions of national TDM provisions and meet all three requirements of the three-step test. This delicate balance makes clear that widespread, unlicensed use of protected content cannot be sustained as AI technologies advance.

IFRRO strongly believes that it is possible to be both pro-innovation and pro-copyright. Rights holders and users have a longstanding history of relying on

92. See 2 WIPO, RECORDS OF THE INTELLECTUAL PROPERTY CONFERENCE OF STOCKHOLM ¶ 85 (1971).

93. MARTIN R. F. SENFTLEBEN, COPYRIGHT, LIMITATIONS AND THE THREE-STEP TEST: AN ANALYSIS OF THE THREE-STEP TEST IN INTERNATIONAL AND EC COPYRIGHT LAW 35 (2004).

94. See generally Eleonora Rosati, *No Step-Free Copyright Exceptions: The Role of the Three-step in Defining Permitted Uses of Protected Content (Including TDM for AI-Training Purposes)*, 46 EUR. INTELL. PROP. J. 262 (2024).

95. Panel Report, *United States—Section 110(5) of the US Copyright Act*, ¶ 6.183, WTO Doc. WT/DS160/R (adopted June 15, 2000).

96. 143 S. Ct. 1258 (2023).

97. See Jane C. Ginsburg, *Fair Use in the US Redux: Reformed or Still Deformed?*, SING. J. LEGAL STUD. 52 (2024).

licensing—both individual and collective—to ensure authorized, remunerated access to copyrighted materials. By providing stable, predictable, and legally sound mechanisms, licensing ensure that innovators can tap into high-quality training data while authors and publishers retain fair remuneration for their works and investments. This dual commitment to advancing technology and safeguarding creative rights charts a course toward responsible, sustainable growth in the AI ecosystem.⁹⁸

III. THE EMERGENCE OF COLLECTIVE LICENSING SOLUTIONS

In recent years, the number of agreements between AI companies and individual creative industry stakeholders has steadily increased, highlighting the ongoing relevance of direct licensing. In parallel, recognizing the growing demand for lawful and responsible access to their repertoires, many RROs have begun developing collective licensing options specifically tailored for AI use cases. These collective solutions—pioneered by organizations such as the CCC in the United States, CLA in the United Kingdom, VG Wort in the European Union, the Copyright Agency in Australia, and more recently the Japan Academic Association for Copyright Clearance (“JAC”) in Japan—represent a significant shift in how licensed content can be leveraged within AI systems. CCC has launched a new licensing solution for the internal use of copyrighted content within AI systems.⁹⁹ This new offering is part of CCC’s Annual Copyright Licenses, a non-exclusive, voluntary collective licensing solution that provides businesses access to millions of works. The inclusion of AI re-use rights within the ACL makes it the first-ever collective licensing option for the internal use of copyrighted materials in AI systems among IFRRO members. This move aims to help companies efficiently acquire the necessary rights to incorporate copyrighted materials into their AI systems while ensuring that rights holders are appropriately remunerated. The addition of harmonized rights for AI content use strengthens the ACL’s value proposition for businesses, offering a streamlined solution for legal content usage in training of LLMs. In parallel, CCC has announced the forthcoming launch of an AI Systems Training License, which will permit AI developers to use lawfully acquired copyrighted works to train AI systems and generate externally accessible outputs. By facilitating streamlined access to a wide-ranging repertoire spanning science, business, media, and other sectors, the license addresses a critical gap in current licensing infrastructure. The dual availability of licensing options for both

98. See *IFRRO Adopts Position Statement on Artificial Intelligence*, IFRRO (Mar. 29, 2023), <https://ifrro.org/page/article-detail/ifrro-adopts-position-statement-on-artificial-intelligence/> [<https://perma.cc/26TQ-32Z2>] [<https://web.archive.org/web/20250125194410/https://ifrro.org/page/article-detail/ifrro-adopts-position-statement-on-artificial-intelligence/>].

99. *CCC Launches Collective AI License*, COPYRIGHT CLEARANCE CTR. (July 25, 2024), <https://www.copyright.com/blog/ccc-launches-collective-ai-license/> [<https://perma.cc/TZ2X-HGNZ>] [<https://web.archive.org/web/20250125204341/https://www.copyright.com/blog/ccc-launches-collective-ai-license/>].

internal application and external model training reinforces CCC's role as a central provider of comprehensive, legally compliant AI content solutions.¹⁰⁰

In Asia, the JAC, a long-standing IFRRO member, has expanded its Digital Copyright License ("DCL") to include rights for the internal use of copyrighted materials within AI systems. Developed in partnership with RightsDirect Japan, a subsidiary of CCC, this enhanced license offers companies in Japan a secure and practical way to use published content in AI tools for tasks such as summarization, information extraction, and internal analysis. It provides access to a diverse repertoire of content from global publishers, academic societies, and other rights holders, covering works in English, Japanese, and many other languages.¹⁰¹

Across the Atlantic, CLA in the UK has introduced a new TDM License, developed in collaboration with its member organizations, to support businesses and public sector bodies in using published content for TDM purposes.¹⁰² This license allows organizations to legally copy, store, and analyze copyrighted works to uncover insights, trends, and patterns from large volumes of data. It applies to various types of published content, including journals, books, and websites, and can be added to existing CLA business licenses.¹⁰³ Building on this foundation, CLA has approved additional permissions for its corporate and public sector licenses, reflecting the surge in generative AI adoption across professional environments. Beginning in early 2025, employees at licensed entities may use published content as prompts on enterprise AI platforms, including CoPilot, ChatGPT, and Gemini.¹⁰⁴ While these permissions

100. *CCC Announces AI Systems Training License for the External Use of Copyrighted Works Coming Soon*, COPYRIGHT CLEARANCE CTR. (Mar. 4, 2025), <https://www.copyright.com/media-press-releases/ccc-announces-ai-systems-training-license-for-the-external-use-of-copyrighted-works-coming-soon/> [<https://perma.cc/B9YK-3L8C>] [<https://web.archive.org/web/20250513182014/https://www.copyright.com/web/20250513182014/https://www.copyright.com/media-press-releases/ccc-announces-ai-systems-training-license-for-the-external-use-of-copyrighted-works-coming-soon/>].

101. *Japan Academic Association for Copyright Clearance and RightsDirect Japan Announce the Availability of AI Re-Use Rights for Digital Copyright License*, BUS. WIRE (Apr. 9, 2025), <https://www.businesswire.com/news/home/20250409032666/en/Japan-Academic-Association-for-Copyright-Clearance-and-RightsDirect-Japan-Announce-the-Availability-of-AI-Re-Use-Rights-for-Digital-Copyright-License> [<https://web.archive.org/web/20250513181819/https://www.businesswire.com/news/home/20250409032666/en/Japan-Academic-Association-for-Copyright-Clearance-and-RightsDirect-Japan-Announce-the-Availability-of-AI-Re-Use-Rights-for-Digital-Copyright-License>].

102. *CLA Board Approves the Inclusion of Workplace AI Permissions To Corporate and Public Sector Licences*, COPYRIGHT LICENSING AGENCY (Dec. 6, 2024), <https://cla.co.uk/cla-board-approves-the-inclusion-of-workplace-ai-permissions-to-corporate-and-public-sector-licences/> [<https://perma.cc/VF3B-S3DG>] [<https://web.archive.org/web/20250124233146/https://cla.co.uk/web/20250124233146/https://cla.co.uk/cla-board-approves-the-inclusion-of-workplace-ai-permissions-to-corporate-and-public-sector-licences/>].

103. COPYRIGHT LICENSING AGENCY, *Text and Data Mining (TDM) Licence*, <https://cla.co.uk/tdm-licensing/> [<https://perma.cc/Q26J-7A5K>] [<https://web.archive.org/web/20250124232534/https://cla.co.uk/web/20250124232534/https://cla.co.uk/tdm-licensing/>] (last visited Jan. 24, 2025).

104. For more information, see *New Generative AI License Permissions by CLA, IFRRO* (Mar. 4, 2025), <https://ifro.org/page/article-detail/new-generative-ai-licence-permissions-by-cla/?k=e20250304906015574> [<https://perma.cc/D9HD-CK7X>].

streamline workplace AI usage, rights associated with training large language models remain under consultation.

Starting in February 2025, the Copyright Agency in Australia is extending its Annual Business License to cover staff at licensed businesses who use third-party content in prompts for AI tools or copy and share AI-generated outputs internally.¹⁰⁵ This license extension allows staff to incorporate copyrighted material, such as journal articles or book excerpts, into AI prompts for generating summaries, reports, graphs, and presentations, and then share those outputs with colleagues within the organization. However, the extension includes conditions to ensure that the content remains within the business environment and is not used for external purposes, such as training AI systems or creating commercial products.

In the European Union, VG Wort has become the first RRO to introduce an AI licensing framework.¹⁰⁶ Its new license permits companies and authorities to use copyrighted works internally for AI training and output generation provided that resulting summaries or evaluations are not sold or otherwise distributed externally. This solution is particularly relevant to sectors like life sciences, where entities have historically accessed and archived copyrighted works under existing VG Wort licenses.

Building on the growing global momentum around AI licensing, the Authors' Licensing and Collecting Society ("ALCS") has recently surveyed more than 13,500 of its members, gathering insights that underscore the pressing need for new rights frameworks.¹⁰⁷ This feedback reflects clear expectations among creators: 91% believe permission should be secured before using their works to train AI, 96% expect fair remuneration, and 87% seek proper attribution.¹⁰⁸ Additionally, 81% would support a collective licensing agreement if ALCS can secure one.¹⁰⁹ Against this backdrop, ALCS is now considering licensing solutions to address the emerging AI use cases.¹¹⁰ One

[<https://web.archive.org/web/20250513182236/https://ifro.org/page/article-detail/new-generative-ai-licence-permissions-by-cla/?k=e20250304906015574>].

105. *Annual Business Licence Extension To Staff Use of AI Tools*, COPYRIGHT AGENCY (Dec. 2024), <https://www.copyright.com.au/membership/ai-and-copyright-in-australia/extension-of-annual-business-licence-to-staff-use-of-ai-tools/> [<https://perma.cc/WE69-L3SZ>]

[<https://web.archive.org/web/20250124233446/https://www.copyright.com.au/membership/ai-and-copyright-in-australia/extension-of-annual-business-licence-to-staff-use-of-ai-tools/>].

106. VG WORT, *Sondernewsletter zur KI-Lizenz Oktober 2024* [Special Newsletter on the AI License October 2024], <https://news.vgwort.de/online.php?u=6Tq9WGt2361> [<https://web.archive.org/web/20250124234815/https://news.vgwort.de/online.php?u=6Tq9WGt2361>] (last visited Jan. 24, 2025).

107. AUTHORS' LICENSING & COLLECTING SOC'Y, *A BRAVE NEW WORLD? A SURVEY OF WRITERS ON AI, REMUNERATION, TRANSPARENCY AND CHOICE* 5 (2024), https://d16dqzv7ay57st.cloudfront.net/uploads/2024/12/A-Brave-New-World-_ALCS_AI_Report.pdf [<https://perma.cc/JG2Y-9B6P>]

[https://web.archive.org/web/20241204092526/https://d16dqzv7ay57st.cloudfront.net/uploads/2024/12/A-Brave-New-World-_ALCS_AI_Report.pdf].

108. *Id.*

109. *Id.*

110. *AI Licences*, AUTHORS' LICENSING & COLLECTING SOC'Y, <https://www.alcs.co.uk/ai-licences/> [<https://perma.cc/4R69-ZC9R>]

option under review—a “Prompt” License—would permit the input of extracts into AI applications for immediate, task-based outputs like summaries or analyses, without training the underlying AI model.¹¹¹ Another option—a “Training” License—would grant AI developers the rights to incorporate ALCS members’ works into the foundational datasets that fuel generative AI capabilities.¹¹²

These developments mark a transformative moment, especially for artificial intelligence. By expanding the scope of existing licenses and introducing new options specifically tailored to AI, RROs and other licensing bodies are providing the infrastructure needed for lawful and responsible content usage within increasingly sophisticated systems. Notably, these initial efforts are just the beginning: More and more collective solutions are poised to emerge around the world, each reflecting local industry needs, regulatory environments, and creative ecosystems. At the same time, these licensing frameworks are evolving to meet rights holders’ expectations, while enabling businesses, educational institutions, and other organizations to access the works they rely on in ways that keep pace with emerging technologies.

IV. CONCLUSION

In conclusion, innovative licensing solutions from collective management bodies provide a responsible and sustainable pathway forward, allowing rights holders to benefit from AI advancements without hindering the copyright ecosystem. These frameworks enable both authors and publishers to effectively monetize their works, ensuring they are fairly rewarded for their works and investments while supporting the ethical and lawful development of AI technologies. As AI technology continues to evolve, a robust and adaptable collective management framework will be essential for addressing emerging challenges, protecting the rights of authors and publishers, and maintaining a vibrant and equitable creative landscape.

[<https://web.archive.org/web/20250125000020/https://www.alcs.co.uk/ai-licences/>] (last visited Jan. 25, 2025).

111. *Id.*

112. *Id.*