



**To: National Artificial Intelligence Strategy Committee & Representative Dong-ah KIM's Office**

**cc: Ministry of Culture, Sports and Tourism & Ministry of SMEs and Startups**

14 May 2026

Dear H.E. Vice Chair LIM and representative KIM,

Re: Text and Data Mining (TDM) exception for copyrighted works proposed under the National AI Action Plan

We understand that under the National AI Action Plan, the Korean Government is considering a text and data mining (TDM) exception for the use of copyrighted works by companies training, developing, or deploying AI models and systems.

We have serious concerns about this proposal for the reasons we outline below. We respectfully ask the Government of Korea to refrain from introducing exceptions to its well-functioning and robust copyright laws. Doing so would harm industries' abilities to innovate, to build businesses and sustain investment levels. AI technology. Intellectual property rights are essential to our industries, as they are for technology and AI driven sectors. They serve as the foundation stone of market licensing and revenue generation. Rightsholders should maintain licensing control over their works and derive value from their use when used for AI training.

Korea has a significant local creative industry, which makes a significant contribution to overall economic growth and brings attendant benefits to the Korean economy. The size of Korea's content industry overall was estimated at around US\$42.9 billion (~KRW63 trillion) in 2024, the 8<sup>th</sup> largest cultural content market in the world<sup>1</sup>, and estimated to contribute around 3.5% of Korea's total GDP in 2022.<sup>2</sup> The value of exports by the content industry was estimated at around US\$13 billion (~KRW19 trillion) in 2023, according to the Korea Creative Content Agency (KOCCA).<sup>3</sup>

Moreover, the content sector contributes significantly to other adjacent sectors of the economy, including employment in related industries like tourism, hospitality and transport. For example, for tourism, the International Visitor Survey, conducted annually by the Ministry of Culture, Sports and Tourism, found in 2024 that K-content had a direct impact on tourist arrivals; 38.3% of tourists said they were motivated to visit Korea "after experiencing Korean wave content", up from 32.1 percent a year earlier.<sup>4</sup> A report by NOL Universe also found that 93.1% of international visitors using their platforms planned a trip to Korea because of K-culture, and that in the last five years the attendance of foreign tourists at Korean concerts generated around US\$966 million (~KRW1.4 trillion) in revenue for Korean businesses and around 8,200 jobs.<sup>5</sup>

The cornerstone of the creative industry's contributions to the Korean economy is Korea's existing copyright framework. The current system allows copyright owners to negotiate the terms for the use of their works, effectively monetize their works, and provides the economic incentive for creativity, which in turn helps create employment and boost the overall Korean economy. Korea's copyright law is technologically neutral and has been sufficiently flexible to

<sup>1</sup> InvestKorea, Cultural Trends (<https://www.investkorea.org/ik-en/cntnts/i-5011/web.do?clickArea=enmain00009>).

<sup>2</sup> Frontier Economics, *Policy+: The Rise of K-Content*, 2024.

<sup>3</sup> InvestKorea, Cultural Trends (<https://www.investkorea.org/ik-en/cntnts/i-5011/web.do?clickArea=enmain00009>).

<sup>4</sup> Ministry of Culture, Sports and Tourism, International Visitor Survey, 2024.

<sup>5</sup> <https://www.prnewswire.com/news-releases/k-culture-jumps-from-screen-to-reality-k-content-generates-966-million-economic-impact-fueling-koreas-tourism-according-to-nol-universe-302656202.html>



accommodate a host of technological developments since its origin. There is no evidence that it is unequipped to deal with new issues that may arise from AI.

We respectfully submit that the market should be allowed an opportunity to develop voluntary licensing solutions that benefit all parties. By introducing a TDM exception or other limitation to right holders' exclusive rights, the Korean Government risks introducing uncertainty to Korea's legal framework in a way that would undermine the development of a healthy and mutually beneficial licensing market for copyright protected works, adversely affecting Korea's creative economy and the sustainable development of AI technologies.

### ***Voluntary licensing mechanisms are the way forward***

Throughout history, creative industries have invested in and embraced innovation. It is our view that the success of the creative sector and the AI sector is fully compatible and complementary. The creative sector embraces AI-enabled tools that enable human creators to give life to their artistry and creative vision in ways that are compelling and immersive. However, rather than introducing broad exceptions for free use, AI innovation should be done in a sustainable manner. We believe that this should be supported through the development of voluntary licensing markets instead.

While many applications of AI do not raise copyright concerns, we consider that the copyright issues that are posed by AI (including the use of copyright materials in some types of AI training) can be and are effectively dealt with through the existing Korean copyright law framework. This is because Korea's existing copyright laws contain the right balance to support a growing voluntary licensing market, whether direct or collective.

Korea's copyright law is not a barrier to innovation or productivity. It establishes the right environment to encourage negotiations and licensing solutions between rights holders and those seeking to use copyright material as training inputs into other products and services. This is a mutually beneficial outcome for copyright owners and AI developers, that requires clear legal frameworks in order to flourish without subjecting market participants to the transaction costs of litigation and uncertainty, which chills investment.

In fact, the voluntary bilateral or voluntary collective licensing of exclusive copyright rights is likely to maintain and promote the investment incentives of content creators and producers, as well as facilitate the development of better generative AI models. This is the conclusion of an economics-based study looking into whether there is any reason properly grounded in economics to depart from the status quo in the way copyright rules are applied to AI<sup>6</sup>.

Voluntary licensing markets for the use of copyrighted works in AI training are currently already flourishing. The global AI training dataset market (i.e. the licensing market) reached a value of nearly US\$2.62 billion in 2024, having grown at a CAGR of 21.97% since 2019. The market is set to reach a value of US\$18.5 billion in 2034, growing at a CAGR of 20.38%.<sup>7</sup>

AI developers are increasingly participating in the licensing market of copyrighted works for AI training to solve two key problems/challenges. First, to mitigate potential liability for copyright infringement and the reputational risks that may arise from such infringement or subsequent public litigation; and second, to obtain access to copyrighted works that are not freely available on the public internet and only obtainable from a copyright owner willing to provide access to the works in question (which are generally of higher-quality) through a license.

<sup>6</sup> <https://www.compasslexecon.com/insights/publications/generative-ai-models-at-the-gate-licensing-frameworks-for-the-effective-and-efficient-protection-of-copyright-protected-content-in-an-ai-world>

<sup>7</sup> <https://www.globenewswire.com/news-release/2025/05/12/3078933/28124/en/AI-Training-Dataset-%20Market-Report-2025-Market-to-Reach-18-47-Billion-by-2034-from-2-62-Billion-in-2024-E-Commerce-%20Expansion-and-LLM-Adoption-Despite-Talent-Shortage-Risks.html>



AI developers are licensing the use of copyrighted works to build curated and more reliable datasets to improve their AI outputs. The quality of content used to train AI emerges as a critical issue. Licensed quality content plays an important role in promoting safe and ethical development of AI systems, which cannot be achieved through the adoption of a new exception that risks undermining data quality standards. The growth of the voluntary, direct and voluntary collective licensing markets over the past few years demonstrates the value of copyrighted work in these datasets for AI developers, and the mutual willingness of the parties to mutually agree on a market-driven price.<sup>8</sup> The introduction of a broad TDM exception allowing free use of copyrighted works for AI training would undermine these licensing opportunities.

Further, such an exception, if introduced for commercial purposes without effective, nonburdensome protections for copyright owners, is very unlikely to be compliant with the three-step test under the Berne Convention for the Protection of Literary and Artistic Works, the WIPO Copyright Treaty (WCT), the WIPO Performances and Phonograms Treaty (WPPT), and the World Trade Organization TRIPS Agreement.

We therefore respectfully urge the Korean government to maintain the current copyright framework which provides robust protection of exclusive rights, which provides mutually beneficial outcomes for all parties, including the fair development of AI.

### ***Unintended consequences on the local creative industries***

The UK Government confirmed in March 2026 that introducing a broad copyright exception for AI with rightsholder opt-out is no longer its preferred way forward<sup>9</sup>. After reviewing the 11,500 responses to its consultation on copyright and AI, Ministers have said their preferred option was “overwhelmingly rejected by the vast majority of the creative industries”. The UK Government has also cited other reasons not to press ahead with policy reform at this time. This includes challenges with opt-out workability, developing international approaches, and the already growing voluntary licensing market, recognising that copyright is an enabler, not an inhibitor, to growth.

Similarly, in March 2026, the UK’s House of Lords’ Communication and Digital Committee published conclusions of its inquiry into copyright and AI, providing that the technology sector’s calls for a broad commercial TDM exception suggests that AI developers do not see their current practices as legally unclear. Rather, they find that “support for a broad commercial TDM exception should therefore be understood as an attempt to lower the litigation risk by weakening the current levels of copyright protection, rather than as a neutral exercise in clarifying the law.”<sup>10</sup>

As such, calls for a TDM exception on the grounds that current copyright law is uncertain are disingenuous. It is therefore premature to legislate on this issue in Korea.

Further, in practice, a broad TDM exception would allow AI developers to profit from unlicensed use of copyright works without appropriate commercial negotiation between parties. Any AI platform relying on the exception would have an incentive not to negotiate commercial uses of copyrighted works.

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<sup>8</sup> The Copyright Alliance, representing a range of stakeholders from the creative industries, maintains a non-exhaustive list of such licensing deals between AI companies and copyright owners, [available here](#).

<sup>9</sup> See The UK Government’s statement at <https://questions-statements.parliament.uk/written-statements/detail/2026-03-18/hcws1416>

<sup>10</sup> See the House of Lords Communications and Digital Committee, [AI, Copyright and the Creative Industries](#), p. 73.



To compound matters, a TDM exception enables AI models to train on content – both Korean and international – to produce unauthorized and derivative products. An exception that enables unrestricted training of AI models that produce unauthorized products would also likely violate Korea’s obligations under international copyright law.<sup>11</sup>

Therefore, a broad TDM exception if introduced, will erode copyright protection in Korea and undermine the ability of copyright owners to monetize their works. Aside from the potential negative effects on the Korean creative economy, this would significantly dilute the market for original, high-quality local content that could showcase Korean culture to the world, and Korea’s soft power ambitions.

We emphasize that existing law (including Korea’s adoption of the fair use doctrine) is adequate to facilitate AI development. Notably, there are at least two significant court cases alleging infringement by AI developers. We suggest that those cases be allowed to progress and the Korean government should adopt a wait and see approach to any law reform.

**International best practices**

Many countries that have considered TDM exceptions have concluded that such exceptions are both unworkable and harmful to their creative industries and thus have rejected them. We respectfully suggest that the Korean government avoids the introduction of an unevicenced and unwarranted commercial TDM exception, while observing the outcome of these developments.

Notably, Australia, which like Korea also has a significant creative sector, rejected a TDM exception in October 2025 in order to provide “certainty to Australian creators”<sup>12</sup>. Similarly, the UK walked back on its proposed TDM exception in March 2026 due to strong concerns from the creative industries, perceived unworkability, gaps in the evidence and the rapidly evolving nature of AI. Notably, only 3% of 11,500 respondents supported exceptions to the copyright law. The UK government will now consider other policy proposals to attract AI investment.<sup>13</sup>

In May 2025, the European Union’s Intellectual Property Office (EUIPO) released its report, *The Development of Generative Artificial Intelligence from a Copyright Perspective*, which notes some major challenges around the EU’s one-size-fits-all “rights reservation” approach.<sup>14</sup> Moreover, in July 2025, the European Parliament’s Committee on Legal Affairs commissioned a study which concluded that large-scale AI training far exceeds the scope of the current TDM exceptions in the Copyright Directive. They also found that an “opt-in” model (i.e., a licensing model) would better protect creators’ rights and rebalance negotiation power.<sup>15</sup>

In addition, in May 2025 the US Copyright Office (USCO) also released a pre-publication version of its report on copyright and AI, which notes that the “copying involved in AI training threatens significant potential harm to the market for or value of copyrighted works”.<sup>16</sup>

<sup>11</sup> See WIPO Copyright Treaty (WCT), Article 10, and The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), Article 13, which set out the “three-step test” for limitations and exceptions to copyright.

<sup>12</sup> <https://ministers.ag.gov.au/media-centre/albanese-government-ensure-australia-prepared-future-copyright-challenges-emerging-ai-26-10-2025>

<sup>13</sup> HM Government, [Report on Copyright and Artificial Intelligence](#).

<sup>14</sup> EUIPO, [The Development of Generative Artificial Intelligence from a Copyright Perspective](#), Section 3.6.

<sup>15</sup> JURI Committee, [Generative AI and Copyright – Training, Creation, Regulation](#), p. 24, p. 29. p. 120, p. 153.

<sup>16</sup> USCO, [Copyright and Artificial Intelligence, Part 3: Generative AI Training](#), pg. 73.



There remains to-date no evidence from any international jurisdiction to suggest any direct correlation between the reduction of copyright protection via a TDM exception, investment in data centers and the development of successful AI systems. Therefore, we do not see the need for the introduction of a TDM exception in Korea.

We would be grateful for the opportunity to meet with you to further discuss these concerns.

Contact person: Bo Son (MPA Korea)  
 Email: bo\_son@mpakorea.org

**Signed**

<b>Directors Guild of Korea (DGK)</b>
<b>European Publishers Council (EPC)</b>
<b>IMPF, the global trade body for independent music publishers</b>
<b>International Confederation of Music Publishers (ICMP)</b>
<b>International Association of Scientific, Technical &amp; Medical Publishers (STM)</b> STM is the leading global trade association for academic and professional publishers. Our mission is to advance trusted research for the benefit of society. The membership is composed of over 150 organisations who are based globally and include academic and professional publishers, learned societies, university presses, start-ups and established players; STM members collectively publish over 70% of all journal articles.
<b>International Federation of Film Producers Associations (FIAPF)</b>
<b>International Federation of the Phonographic Industry (IFPI)</b>
<b>International Publishers Association (IPA)</b>
<b>Korea Drama Production Association</b>
<b>Korea Film Producers Association</b>
<b>Korea Film Importers &amp; Distributors Association</b>
<b>Korea Association of Visual Media Education</b>
<b>Korean Film Industry Labor Union</b>
<b>Korean Art House Cinema Association</b>
<b>Korean Independent Film Association</b>
<b>Korea Screenwriters Guild</b>
<b>Korean Independent Animation Filmmakers Association</b>
<b>Motion Picture Association (MPA)</b>
<b>Regional Film Network</b>