

# Fostering international regulations for the intellectual property rights of AI development.



# **Tables of contents**

Overview	2
Definition of important terms	5
Timeline of key events	6
Position of key nations	7
Suggested solutions	9



## **Overview**

Individuals, firms and nations worldwide understand the importance and usefulness of AI, however, as artificial intelligence (AI) evolves at an unprecedented rate, a conflict has arisen regarding the intellectual property (IP) rights of AI, requiring the immediate attention from the international community (10). The complexity of AI technologies presents a challenge that the current intellectual property frameworks are unprepared to handle, as has become evident by nations worldwide who have been major contributors to the growth and development of AI globally (12).

In order to overcome these challenges and create a realistic and transparent approach to protecting the ownership of intellectual protection innovations on a global scale, there is an urgent need for the establishment of international regulations. Within the current geopolitical landscape, the current absence of international regulations creates a challenge in protecting the ownership of intellectual properties (22). Nations worldwide have different approaches regarding managing the intellectual property rights of AI, leading to inconsistencies in legal frameworks. Thus, the need for international collaboration becomes imperative to create globally accepted regulations that provide clarity and consistency in addressing the complexities of intellectual property rights for the development of AI (12). This includes considerations for algorithmic transparency, accountability mechanisms, and the balance between encouraging innovation and safeguarding the rights of creators. The regulatory framework must also address the challenge of defining authorship for AI-generated content, acknowledging the collaborative nature of AI systems and the involvement of multiple contributors. The collaboration between nations and international organizations is essential to ensure a cohesive and effective approach that is applicable across borders and promotes a harmonized environment for AI development, whilst protecting the intellectual property of creators (4, 12, 22).

Significant advancements in AI have been made throughout its history, with nations like China, the US, and Europe setting the standard for the AI generation. All of these countries have made contributions to the field of artificial intelligence, which has raised concerns about intellectual property ownership, access, and ethical issues. Resolutions recently passed, like the AI Act proposed by the European Union and national initiatives in China and the United States, highlight how urgently a global legal framework and harmonized approach are needed to address the complexities of AI intellectual property rights (10).

As artificial intelligence (AI) systems are incorporated into more parts of society, privacy, bias, and accountability are becoming issues. In addition to addressing the legal aspects of intellectual



property, international regulations should explore ethical frameworks that direct the responsible development and application of AI technologies. Collaboration across legal boundaries is necessary to maintain a careful balance between promoting innovation and upholding ethical standards (4, 22).

Furthermore, the impact of AI goes beyond traditional concerns about intellectual property, influencing global economic dynamics and transforming the nature of employment. Countries acknowledge the potential economic benefits surrounding the development of AI, leading to increased competition in the race for AI dominancy (4). However, this competitive environment requires an approach to intellectual property that promotes innovation while preventing unethical measures. International regulations should consider the socio-economic effects of AI, including issues like job displacement, the digital divide, and the fair distribution of advantages (22). A regulatory framework should not only protect the intellectual property of AI developments but also guarantee that the advantages and responsibilities related to AI advancement are fairly distributed among nations, encouraging an inclusive approach to the worldwide AI landscape (12).



# **Definitions of important terms**

#### **Artificial Intelligence (AI)**

AI refers to a computer or machine's capability to imitate intelligent human behavior including, decision making and problem solving of the human mind (16).

#### **International Regulations**

Rules and standards established by international agreements and treaties that decide the conduct of nations in a particular field, allowing individuals in them to be held accountable, in this case, intellectual property rights related to AI development (8).

#### **Intellectual Property Rights (IPR)**

IPR refers to the legal protections for the creation of the mind, including inventions, artistic and literary works, names and images. IPR commonly provides the creator an exclusive right over their creation for a certain period of time (15).

#### **Machine Learning (ML)**

Machine learning is a branch of AI which focuses on allowing the computer system to learn independent from data without the use of explicit programing. Algorithms are designed to identify patterns and make decisions based on this data in order to improve its performance over time (20).

#### **Data Privacy:**

Data Privacy refers to safeguarding sensitive data to prevent unauthorized access to individuals' personal information and allowing individuals to have ownership over how their data is collected, processed, stored, and shared (18).

#### **Algorithmic Bias:**

When algorithms, particularly AI systems, exhibit unfair and discriminatory behavior toward certain groups, this is called Algorithmic Bias. This bias may be a result from data provided to algorithms, leading to unjust consequences, reinforcing inequalities that are present in the current world (16).

#### **Cybersecurity:**

Cybersecurity refers to the measures created to protect computer systems, networks, and data from unauthorized access, cyberattacks, and damage (17).



## **Blockchain Technology:**

Blockchain Technology is a decentralized and distributed ledger system that reliably records and verifies transactions across a network of computers. (17).



# Timeline of key events

#### General Data Protection Regulation (GDPR) of the EU, May 2018

The European Union passed the General Data Protection Regulation (GDPR) in order to provide individuals more control over their personal data and to update data protection laws across nations within the EU. The GDPR helped establish the majority of privacy and data protection laws currently in use by the EU, additionally addressing concerns about AI's reliance on vast amounts of data. The regulation emphasized the ethical aspects of AI development and its effects on data ownership, which helped create conversation on intellectual property rights in the context of artificial intelligence (19).

#### September 2019 - World Intellectual Property Organization (WIPO) conference on AI

WIPO held their first session of the WIPO conversation, where leaders from nations worldwide convene in Geneva to discuss the need for regulations and international cooperation in regulating intellectual property rights. This discussion included formulating questions which policymakers should take into consideration when creating regulations for the property rights of AI development. Moreover, this conference displayed the beginning of the international community's commitment to attempting to resolve this issue (2).

#### June 2020 - OpenAI's GPT-3 release

OpenAI's GPT-3 released a language model with over 175 billion parameters, capable of comprehending and producing human-like text and ideas. This release of a new generation of AI highlighted the capabilities of new advanced AI models to the international community. This release also raised concern on the intellectual property rights and ethical considerations surrounding this new branch of AI (6).

#### July 2023 - UN Resolution on AI and Intellectual Property Rights

The United Nations passed a resolution recognizing the importance of establishing international regulations for the intellectual property rights of AI development, displaying the international community's commitment to addressing this issue. This resolution demonstrated a collective commitment to addressing the complex interplay between AI and intellectual property rights on a global scale. It provided a framework for ongoing discussions, emphasizing the need for collaborative efforts in the committee to navigate the challenges presented by AI technologies (7).



# Position of key nations

## **United States of America**

Historically, the United States has emphasized the importance of intellectual property rights of AI development. The U.S. government has always supported technological advancement and establishing frameworks which attempt to protect its creators and innovators. In terms of AI and intellectual property the U.S. partakes in constant discussion with international bodies including WIPO, however, the United States stance on specific aspects of AI development such as copyright and data ownership vary (3).

### China

China is a country which has in recent times has begun actively investing in AI technologies, recognizing its economic and strategic importance. Regarding the intellectual property rights of AI development, China has begun taking measures to strengthen its legal framework and protection mechanisms. Furthermore, China has been participating in international conversation regarding AI with organizations such as the WIPO, expressing its openness to cooperation with different countries. China has also emphasized its desire for its sovereignty to be respected when handling the regulation of AI and intellectual property (1).

#### India

India is a rapidly developing nation whose aim is to become a leading nation in the global technology industry. The government, recognizing AI's strategic importance, grapples with the non-regulatory approach to foster innovation and a more cautious one focusing on mitigating user harm, as highlighted in the Digital India Act. The ongoing debate weighs the pro-innovation perspective, adapting to AI's rapid advancements, against concerns about job displacement and unintended consequences, particularly in a labor-intensive economy like India. Addressing data protection concerns, the recently introduced Digital Personal Data Protection Act 2023 is discussed, though advocates stress the need for stricter legislative safeguards, especially considering emerging technologies like AI (11).

#### Israel

Israel is a nation which has always followed internationally accepted principles regarding AI, with the aim of harmonizing regulations across its own industries and activities. In December of 2023, Minister of Innovation Science and Technology Ofir Akunis, finalized a paper establishing regulations on the principles and ethics of AI, which to this day remains Israel's official AI policy. As per a report in 2023 published by the Israel Innovation Authority, the AI industry has



contributed to over 18% of Israel's total GDP, making it the most productive sector within Israel's economy (5).

# **Singapore**

As Singapore begins to develop its digital economy, it attempts to manage a balanced approach regarding the advancement of AI technologies where both tech innovators as well as consumers are confident in the use and adoption of AI. Singapore has begun taking measures in the regulation of AI through the development of the "AI Verify" software. This software is specifically designed to validate the performance of AI systems against ethical and moral principles in order to help user companies be more transparent about their AI systems (13).



# **Suggested solutions**

Creating an atmosphere of constant communication and exchange of information is a key strategy for tackling the complex challenges regarding AI development and intellectual property rights. Through the establishment of collaborative platforms, countries can actively exchange their own approaches and technological insights. This ongoing conversation allows for the identification of potential threats and gaps regarding the property rights of AI (14). International collaborative efforts ensure rapid, unified responses to the advancing AI technologies. Additionally, a strong mechanism for information exchange helps build international relations among nations, the creators of Intellectual Property, and researchers, fostering collective intelligence that can contribute to the development of more effective and fitting regulations (21). Through continuous dialogue, the global community can collectively manage the changing landscape of AI, ensuring that intellectual property frameworks remain responsive and coherent to the challenges presented by AI innovations (9, 21).

Furthermore, harmonizing the legal frameworks of nations worldwide presents itself as a critical solution to the complex challenges surrounding AI-related intellectual property rights. As AI advancements cross borders, achieving consistency in the legal approaches nations worldwide use becomes essential. Encouraging countries to merge their intellectual property frameworks related to AI guarantees creators receive consistent protection for their innovations worldwide (21). Furthermore, by adopting standardized regulations, the international community can establish a transparent environment for AI development, promoting the rights of creators (9). The alignment of legal frameworks not only simplifies the legal procedures for protecting intellectual property protection but also reduces the risk of conflicting regulations and helps to prevent potential conflicts between nations caused by discrepancies in legal frameworks used. This approach promotes collaborative efforts among nations, encouraging the establishment of a unified international framework that addresses the complexities of AI-related intellectual property rights and displays a shared commitment to promoting responsible and ethical AI development for individuals worldwide (14).



# **Bibliography**

- 1. "A Chinese Perspective on Artificial Intelligence", WIPO, https://www.wipo.int/tech\_trends/en/artificial\_intelligence/ask\_the\_experts/techtrends\_ai wang.html, Accessed February 12, 2024.
- 2. "AI and IP Policy: The WIPO Conversation", WIPO, https://www.wipo.int/about-ip/en/frontier\_technologies/ai\_and\_ip\_policy.html, Accessed February 12, 2024.
- 3. "Artificial Intelligence (AI)", U.S. Department of State, https://www.state.gov/artificial-intelligence/, Accessed February 12, 2024.
- 4. "Artificial Intelligence's Use and Rapid Growth Highlight Its Possibilities and Perils", U.S. Government Accountability Office, September 6, 2023, https://www.gao.gov/blog/artificial-intelligences-use-and-rapid-growth-highlight-its-possibilities-and-perils, Accessed February 21, 2024.
- 5. Dan Or-Hof, "Proactive caution: Israel's approach to AI regulation", Iapp, January 10, 2024, https://iapp.org/news/a/proactive-caution-israels-approach-to-ai-regulation/#:~:text=Yet% 20with%20a%20significant%20reliance,establishment%20of%20international%20AI%2 0standards, Accessed Febuary 12, 2024.
- 6. "GPT-3", Wikipedia, February 9, 2024, https://en.wikipedia.org/wiki/GPT-3, Accessed February 12, 2024.
- 7. "International Community Must Urgently Confront New Reality of Generative, Artificial Intelligence, Speakers Stress as Security Council Debates Risks, Rewards", United Nations, July 18, 2023, https://press.un.org/en/2023/sc15359.doc.htm, Accessed February 12, 2024.
- 8. "International Regulation", Wikipedia, March 29, 2022, https://en.wikipedia.org/wiki/International\_regulation, Accessed February 12, 2024.
- 9. Janna Anderson, Lee Rainie, "Solutions to address AI's anticipated negative impacts", Pew Research Center, December 10, 2018,



https://www.pewresearch.org/internet/2018/12/10/solutions-to-address-ais-anticipated-ne gative-impacts/, Accessed February 21, 2024.

- 10. Micheal Chui, "The state of AI in 2023: Generative AI's breakout year", McKinsey and Company, August 1, 2023, https://www.mckinsey.com/capabilities/quantumblack/our-insights/the-state-of-ai-in-202 3-generative-ais-breakout-year, Accessed February 21, 2024.
- 11. Nandan Nilekani and Tanuj Bhojwani, "UNLOCKING INDIA'S POTENTIAL WITH AI", December, 2023, International Monetary Fund, https://www.imf.org/en/Publications/fandd/issues/2023/12/POV-unlocking-india-potential -with-AI-Nilekani-Bhojwani, Accessed February 12, 2024.
- 12. Nicole Laskowski, "Artificial Intelligence (AI)", TechTarget, November 2023, https://www.techtarget.com/searchenterpriseai/definition/AI-Artificial-Intelligence, Accessed February 21, 2024.
- 13. "Singapore's Approach to AI Governance", PDPC, https://www.pdpc.gov.sg/help-and-resources/2020/01/model-ai-governance-framework, Accessed February 12, 2024.
- 14. "Top 10 AI Solutions for Real Estate Industry", Binary Folks, https://www.binaryfolks.com/blog/artificial-intelligence-in-real-estate, Accessed February 21, 2024.
- 15. "What are intellectual property rights?", World Trade Organization, https://www.wto.org/english/tratop e/trips e/intell e.htm, Accessed February 12, 2024.
- 16. "What is artificial intelligence (AI)?", IBM, https://www.ibm.com/topics/artificial-intelligence#:~:text=Artificial%20intelligence%20l everages%20computers%20and,capabilities%20of%20the%20human%20mind, Accessed Febuary 12, 2024.
- 17. "What is Cyber Security?", Kaspersky, https://www.kaspersky.com/resource-center/definitions/what-is-cyber-security, Accessed February 21, 2024.



- 18. "What is Data Privacy". CloudFare, https://www.cloudflare.com/learning/privacy/what-is-data-privacy/, Accessed, February 22, 2024.
- 19. "What is GDPR, the EU's new data protection law?", GDPR.EU, https://gdpr.eu/what-is-gdpr/, Accessed February 24, 2024.
- 20. "What is machine learning?", IBM, https://www.ibm.com/topics/machine-learning, Accessed February 14, 2024.
- 21. "What are solutions to regulating the intellectual property rights of AI development?" prompt. ChatGPT, 24 May. version, OpenAI, February 21, 2024, chat.openai.com.
- 22. "Give me a summary of the problem surrounding the intellectual property rights of AI development." prompt. ChatGPT, 24 May. version, OpenAI, February 21, 2024, chat.openai.com.