



The impact of AI on the Creative Industries - Press working group 20.11.2024 Ambassade de France, Berlin

Minutes1

At a meeting between major French and German press publishers, attended by researchers in generative AI, German and French regulators, start-ups offering services to the press, and representatives of press-related collective rights management organisations in Germany and France, the speakers reached the following conclusions.

Report

The opportunistic exploitation of journalistic content by AI systems trained on press content without authorisation or transparency sabotages the rights and existence of press publishers and the journalism value chain.

The market is captured by a few powerful players, who concentrate revenues and resources in their own hands and prevent the emergence of a transparent and dynamic licensing market. Publishers are prevented from adding value to their content, and their independence is undermined.

Democracy suffers as a result, because this situation breeds misinformation and jeopardises European democracies.

AI and democratic values

The debate highlights the collective efforts needed to tackle these challenges, particularly in Europe.

- **Humanism and AI**: AI is a tool to be shaped according to human values, requiring careful management.
- Collaboration: The long-term work of stakeholders, including regulators, publishers and researchers, is welcomed. There is a general call for it to be speeded up and intensified.

Press Publishers' Rights and Challenges

The 2019 European directive on copyright offers protection to publishers, but its application remains a challenge.

Major issues:

- o Resistance from the major digital platforms to recognise these press publishers' rights.
- o Unilateral remuneration proposals by certain platforms are insufficient, provisional because

 $^{^1}$ Editor: Marie-Avril Roux Steinkuehler LLM. - President French Tech Berlin, Founding Partner Mars-IP $\underline{\mathsf{mars@mars-ip.eu}}$



- they are contractual, and fragmented because they do not reach all publishers. Contrasting assessments of collective licences.
- Repetition of this scenario with the exploitation of content by generative AI: resistance from generative AI players to recognise publishers' rights, to negotiate them, and if so, to do so correctly.
- o Lack of clarity on the scope of press publishers' rights, should AI training be included? Some people are asking.
- French case: The French Competition Authority has imposed significant penalties for failure to respect press publishers' rights. Publishers are calling for a common European competition law and harmonised application of this law.

Transparency and Regulation

Transparency both upstream and downstream of the results generated by AI is essential to ensure that AI complies with legal and ethical frameworks.

Transparency issues:

- o AI training sources are rarely fully disclosed.
- o End users do not always know whether content is generated by AI, nor do they know the content of the algorithmic biases used.

Actions taken:

o Development of transparency models to provide information on the use of data.

Proposals:

 Accountability of the generating IAs, even by granting them the legal status of press publisher and the associated responsibilities.

Defence of Journalistic Content

The press, which is essential to democracy, is particularly vulnerable in the face of the new dynamics of AI, whose bots and other forms of scraping make it possible to capture the content of press publishers' websites.

• Risks identified:

- o Unauthorised use of journalistic content to train AI models.
- o Replacement of the press by AI-based search engines.
- o Practical impossibility of tracing the sources used, and therefore loss of control by the press over its content, which is diluted in the results generated.
- The opt-out was designed for other uses and is ineffective because it is circumvented, difficult to implement and leads to a reversal of the burden of proof.

Advanced solutions:

o Collective mobilisation and alliances to defend creators' rights.

Exclusion of press publishers from the opt-out provided for in the Copyright Directive, as
they alone must be able to decide whether or not users of artificial intelligence can exploit
their content and how they should be remunerated.

Economic issues

The use of cultural content to train AI raises serious economic issues.

• **Unfair redistribution**: The major platforms profit from content without sufficient compensation for their creators.

Proposals:

- o Introduction of a European data licensing market.
- o Development of remuneration models adapted to technological realities.
- O Harmonisation and adaptation of national and European competition law, because despite the agility and capacity for innovation of the press today, the battle is unequal and seems unwinnable.

A European Model for AI

Europe is in a unique position to develop a model that reflects its cultural and economic values. Its (still) pluralistic press is of high quality, and able to combat misinformation. Publishers are committed to the digital ecosystem and will continue to invest in innovation, especially with AI. Research is rich and capable of developing European models.

Differentiation

- o Creation of a model distinct from the American (market) and Chinese (state) approaches.
- o Leveraging European talent in the field of AI to build an independent infrastructure, ensuring content authentication, identification and traceability, and supported by a strengthened regulatory framework to guarantee transparency and market openness.
- **Competitive advantages**: Cultural, educational and technological assets to build a unique AI ecosystem.

Franco-German collaboration

Close cooperation between France and Germany is crucial if Europe is to move towards an eco-system that is based on the principles of sustainable development.

Strong AI.

Key points:

- o Sharing expertise to defend European interests against the technology giants.
- o Harmonisation of regulatory frameworks.

The creation of a European Observatory?

The working group is proposing the creation of a European observatory to assess the value of the press, the practices and economic impacts of AI, with a view to harmonising practices within the Member States.

• Objectives:

- o Collect reliable data on the interactions between AI and the cultural economy.
- o Inform stakeholders and public policies through detailed economic analyses.

Outlook and conclusions

• There is an urgent need for strong regulation, and we are running out of time:

- Regulation must be swift, firm, clear and European to prevent economic imbalances and the
 destruction of the foundations of information. An independent and strong press is essential to
 preserve European democracies.
- o Rapid, practical implementation of the AI Act is crucial. The regulation must be translated by clear principles, in particular:
 - respect for copyright by foundation models (GPAI), publishers to alone decide how their content is used
 - training data transparency obligations
 - remuneration mechanisms applied quickly and uniformly.

• Call for cooperation:

- o Encourage EU Member States to harmonise their approaches.
- o Insist on greater transparency of the data used and fairness in the redistribution of the revenue generated by AI.
- o Pooling resources: sharing information, technological and legal tools to detect content misuse, take effective action and create a market.
- o Encouraging shared innovation: Support European models of collaboration to develop technological tools that respect democratic rights and values.
- o Create a Franco-German alliance that provides a solid foundation for a European response to global economic and technological challenges.
- Europe has a unique opportunity to develop an ambitious regulatory framework that protects its values and talents while encouraging innovation.