

ANNEXURE C

Four Questions to Global Law Office, Beijing: A Foreign Developer's Perspective

To: Submission of Edwin Lee & Partners on the Proposed Amendments to the Copyright Act 1987 (Act 332)

Why this Annexure exists

Recommendation 11 of our submission asks MyIPO to give foreign AI developers a way to be heard before the amendment Bill is finalised. Most of the AI systems Malaysians use every day were built by companies that never saw this consultation. Rather than only recommend that they be asked, we went and asked.

Global Law Office is one of China's leading law firms, and advises Chinese AI companies on their operations at home and abroad. We sent GLO four questions and asked them to answer from the perspective of a foreign AI company entering a market like Malaysia. This is our second collaboration: GLO also contributed to our submission on the proposed AI Governance Bill, filed with the National AI Office on 31 July 2026. Their answers are set out below.

How to read this Annexure. GLO's answers appear substantially as they gave them, with only light editing for style. The examples are theirs. The short observations after each answer are ours, and connect what GLO says to the numbered recommendations in our Core Submission. GLO describes the law and practice of the People's Republic of China as at August 2026; nothing here is advice on Malaysian law, and GLO should not be taken to endorse our recommendations, which are ours alone. We are grateful to Xu Guosheng, Senior Consultant, and Zheng Qiwen, Associate, for their generosity.

Question 1: AI-generated works

How have the Chinese courts approached copyright protection for AI-generated content, and what does GLO practically advise clients about ownership and protectability? Would Chinese AI companies expect their AI-assisted outputs to be protectable when they bring products into a market like Malaysia?

GLO responds: Since AI cannot qualify as an "author" within the meaning of copyright law, the crux of the determination lies in whether human creators exercise dominant control over AI-assisted outputs. Chinese courts have rendered two divergent lines of rulings on this issue to date. First, works are eligible for copyright protection where humans iteratively adjust prompts, configure customised parameters, and conduct multiple rounds of screening, so that the final output embodies unique human expressive choices. Second, outputs are typically unprotected if generated with merely simple one-click prompts: such creation relies heavily on AI algorithms, yields random results, and fails to reflect the user's original expression.

From a practical perspective, GLO generally advises clients to retain full records of prompts, parameter settings, generation logs and revision histories, and to clarify the ownership of deliverables through labour contracts, commission contracts and other documents. AI-assisted creation has now become a routine

workflow in cultural, entertainment and other industries. GLO recognises that AI companies seek to maximise protections for their users while remaining consistent with the fundamental principles of copyright law, and hopes to preserve space for qualifying AI-generated content as copyrightable works.

Our observation: The test GLO describes, whether the human exercised dominant control, is in substance the threshold our Recommendation 8 proposes for Malaysia: meaningful human creative contribution, judged on the facts, with iterative creative direction capable of qualifying and a bare instruction not. And GLO's standing advice to clients, keep the full generation records, is the private-practice version of the declaration mechanism in our Recommendation 10. Practitioners in the largest comparable market have arrived, on their own, at the framework we are recommending here.

Question 2: Training data

As between Japan's purpose-based exception and Singapore's lawful-access approach, which would be more workable for the AI companies GLO advises, and why? How do clients currently handle copyright in their training data at home, and is a genuine licensing market forming in China?

GLO responds: Japan's framework hinges on assessing "enjoyment-based use", a standard that leaves ample room for interpretative ambiguity and creates uncertainty in application. Singapore's regime mandates that trainers hold lawful access to training data, delivering greater regulatory certainty.

In China, regulators currently focus primarily on whether AI-generated content infringes third-party copyrights. Enterprises commonly train models using proprietary data, public domain materials or content covered by open licences, while continuing to explore commercial data licensing methods. For instance, Visual China has entered into copyright collaboration with MiniMax and other firms; even so, the data and copyright licensing market remains in its infancy.

Our observation: GLO's criticism of the Japanese model lands on the one part of it we did not adopt. The ambiguity they identify sits in Japan's enjoyment-based purpose test. Our hybrid rests instead on Singapore's lawful-access gate, for exactly the certainty GLO describes, and borrows from Japan only the unreasonable-prejudice safety valve, which Recommendation 4 then pins down by naming its two operative categories. GLO's point about the licensing market still being in its infancy also matters for Recommendation 4: the "demonstrably emerging licensing market" limb requires demonstration on evidence, so the exception narrows as licensing matures, and not before.

Question 3: Transparency of training data

Malaysian rights holders are pushing for disclosure of training datasets. What does Chinese law currently require about the sourcing and transparency of training data, and how burdensome has this been in practice?

GLO responds: The Interim Measures for the Administration of Generative Artificial Intelligence Services mandate that training data must be lawfully sourced. Service providers are required to disclose details including the origin, volume, categories and labelling rules of training data during regulatory inspections,

but are not obligated to publish their complete training datasets to the public, which avoids imposing excessive operational burdens on businesses.

Our observation: This is real-world evidence that the balance our Recommendation 5 strikes can work. China requires lawful sourcing and category-level disclosure to the regulator, without publication of full datasets, and GLO reports that this has not proved excessively burdensome. Our recommendation draws the same line: records sufficient to demonstrate lawful access, and a published summary general enough to protect trade secrets. It also supports Recommendation 11, because China attaches these obligations to the provision of the service, which is how the rules reach a developer wherever the training happened.

Question 4: Enforcement measures

The proposed amendments include a 12-hour takedown window for service providers and dynamic court injunctions against infringing sites. From the platform side, would these be workable, or would any aspect give pause about the Malaysian market?

GLO responds: The mandatory 12-hour response window affords enterprises limited leeway, and may not align fully with standard business hours. Dynamic court injunctions also pose implementation challenges where their scope may be vaguely drafted.

Overseas-expanding enterprises value the commercial prospects of foreign jurisdictions and commit to complying with local laws and policies. If injunctions are drafted with sufficiently clear scope and are technically enforceable without imposing excessive operational strain, enterprises will voluntarily participate in fostering a healthy and compliant platform ecosystem.

Our observation: The enforcement proposals sit outside the scope of our own recommendations, and we take no position on them. We carry GLO's answer because it is the platform-side perspective this consultation has not otherwise heard, and its closing point deserves the Ministry's attention: give foreign platforms clear scope and technically workable orders, and they will comply willingly.

Closing note

We are thankful to GLO for the time and effort they put into answering our interview questions, and we hope their answers, together with our recommendations and observations, are helpful to the Ministry.