

## **Submission by the Asia Tech Alliance (ATA) on the Principle-Code for Protection of Intellectual Property and Transparency for the Appropriate Use of Generative AI**

### **Executive Summary**

The Asia Tech Alliance (ATA) welcomes the opportunity to comment on the draft *Principle-Code for Protection of Intellectual Property and Transparency for the Appropriate Use of Generative AI*. ATA supports the Government of Japan's objective of building trust in generative AI through proportionate and well-designed transparency measures.

ATA believes the Code would benefit from further refinement to ensure alignment with Japan's strategic goal of remaining a global leader in AI innovation. In particular, a calibrated, risk-based approach consistent with international frameworks such as the G7 Hiroshima AI Process would help support innovation, investment, and access to advanced AI technologies.

Key considerations include: (1) maintaining consistency with the Copyright Act and the AI Promotion Act, (2) situating the Code within a broader IP policy framework, (3) ensuring appropriate procedural safeguards, and (4) aligning transparency expectations with the technical realities of generative AI systems.

ATA respectfully encourages continued dialogue with stakeholders to refine the Code in a manner that preserves Japan's innovation-friendly environment, reinforces international alignment, and supports sustainable growth across the AI and creative ecosystems.

### **About ATA**

[ATA](#) represents leading global and regional technology companies across diverse sectors, including search, messaging, social media, content, e-commerce, and cloud services, all of whom share a commitment to responsible innovation and the safety of all users.

### **General Comments**

The Asia Tech Alliance (ATA) welcomes the opportunity to provide feedback on the Principle-Code for Protection of Intellectual Property and Transparency for the Appropriate Use of Generative AI ("the Code").

We share the view that transparency, when carefully designed and proportionate, can play a meaningful role in building trust among users, rights holders, and society.

At the same time, we believe the draft Principle Code would benefit from further refinement to ensure it advances the Government's broader strategic objective. In particular, there is an opportunity to better align the proposed measures with Japan's goal of strengthening its position as a global hub for AI innovation, while maintaining access to state-of-the-art AI technologies and services. A more calibrated approach, consistent with internationally recognized risk-based frameworks such as the G7 Hiroshima AI Process, would help ensure that the Code reinforces, rather than unintentionally constrains, innovation and growth. We, therefore, encourage continued dialogue on the overall design of the framework, with a view to avoiding prescriptive elements and preserving Japan's leadership role in AI.

## **Comments on Specific Provisions**

### **1. Alignment with the Copyright Act and the AI Promotion Act**

*(Relevant to disclosure-related provisions, including Principles 2 and 3)*

Japan's AI competitiveness is supported by a forward-looking legal framework, including the flexibility provided under Article 30-4 of the Copyright Act and the innovation-enabling objectives of the AI Promotion Act. These measures have contributed to the growth of domestic AI developers and to Japan's attractiveness as a market for global AI services.

In this context, it is important that the Principle Code be closely aligned with the objectives and structure of existing law. Certain disclosure expectations set out in the draft Code—particularly those relating to detailed technical aspects such as model architecture—do not appear directly connected to copyright protection (and broader trade secrets protection considerations) and may warrant reconsideration to ensure proportionality and policy coherence.

Given the central role of intellectual property in Japan's innovation ecosystem, further policy development in this area would benefit from a broader discussion encompassing rights clearance mechanisms, and market-based solutions that can support both innovation and sustainable growth for creators. Establishing a clear and well-understood framework for the use of IP in AI development, building on existing statutory exceptions and practices, would provide a stronger foundation before layering additional expectations through the Principle Code.

## **2. Scope of Application and International Legal Context**

*(Relevant to the scope provisions of the Principle Code)*

The draft Principle Code appears to apply to AI developers and service providers that do not have a physical presence or development activities in Japan, but whose systems or services are made available within the Japanese market. In the area of intellectual property, it may be helpful to further examine how this approach aligns with established principles of international law. This is relevant in view of Japan's goal to be a global hub of AI, which includes establishing best practices for AI governance.

International copyright frameworks, as reflected in instruments such as the Berne Convention and the TRIPS Agreement, are based on the territorial nature of copyright. Careful consideration of these principles would enhance legal clarity and predictability, while reinforcing Japan's longstanding commitment to international cooperation.

Japan has built international trust through a balanced AI governance strategy that combines domestic innovation promotion with active leadership in global standard-setting, including through the Hiroshima AI Process. Maintaining this alignment in the application and scope of the Principle Code would help ensure consistency between Japan's domestic policies and its international engagement.

## **3. Procedural Balance and Safeguards**

*(Relevant to provisions concerning information requests and disclosures to third parties)*

The draft Code includes provisions that would require AI providers to share information with parties contemplating legal action. While we understand the objective of facilitating dialogue and early resolution of disputes, further clarification of procedural safeguards may be beneficial.

Assessing the validity and scope of potential legal claims involves complex legal judgment, and established judicial processes play a critical role in ensuring fairness and balance among stakeholders. Aligning the operation of these provisions more closely with existing judicial mechanisms would help protect the interests of all parties and reduce the risk of uncertainty or unintended use of disclosure processes.

## **4. Technical Feasibility and Operational Realities**

*(Relevant to Principles 2 and 3 and related transparency obligations)*

The effectiveness of the Principle Code would be strengthened by ensuring that its expectations reflect the technical realities of how generative AI systems are trained and

operate. In particular, assumptions regarding the ability to identify whether specific URLs or sources were used to generate individual outputs do not align with current technical capabilities.

Generative AI models are trained by learning statistical relationships from large datasets through numerical representations. They do not retain individual training data sources, nor do they retrieve or reference specific inputs when generating outputs. As a result, outputs cannot be deterministically traced back to particular URLs or source materials. Explicitly recognizing these limitations would help ensure that transparency obligations are realistic, implementable, and focused on outcomes that meaningfully advance policy objectives, including trust and the protection of intellectual property.

As such, the current requirements laid out are not technically feasible and warrant further editing through deeper dialogue with the AI ecosystem.

### **Conclusion**

ATA respectfully encourages continued dialogue with stakeholders to refine the Code in a manner that preserves Japan's innovation-friendly environment, reinforces international alignment, and supports sustainable growth across the AI and creative ecosystems. We appreciate the opportunity for consultation offered by the government on the Principle-Code.

\*\*\*

## About the Asia Tech Alliance

The [Asia Tech Alliance \(ATA\)](#) is a regional industry association formed to amplify Asia-Pacific's voice in the global digital economy and champion technology that reflects the region's values, innovation, and potential. Founded by 13 leading global technology companies, the ATA serves as a trusted platform for governments, industry, and communities to co-create human-centric, innovative solutions to the region's most pressing opportunities and challenges. Through policy engagement, collaborative initiatives, and strategic partnerships, the Alliance is committed to shaping an inclusive, agile, and forward-looking digital future for Asia-Pacific.