

Suomen Musiikintekijät ry / Finnish Music Creators

Call for Evidence on the Review of the DSM Directive and Targeted Initiative on Copyright and Artificial Intelligence

Submission by Suomen Musiikintekijät ry / Finnish Music Creators

June 2026

Introduction

Suomen Musiikintekijät ry / Finnish Music Creators is the Finnish association representing professional music creators, founded in 1954. Our membership encompasses the full breadth of music creation in Finland: songwriters and lyricists working across popular music genres, film and audiovisual composers, folk and children's music creators, jazz composers, and composers working in the field of game music. We speak on behalf of individual creators — the human authors whose works form the foundation of the music ecosystem. We use the term "music creator" to refer collectively to all these professional groups.

Suomen Musiikintekijät ry / Finnish Music Creators is a member of Luovata ry, the umbrella organisation of the Finnish creative industries, and maintains close institutional ties with Teosto, the Finnish music copyright collective management organisation. We have also drawn on the submissions made by the European Composer and Songwriter Alliance (ECSA) — the European-level organisation representing composers and songwriters across 29 countries — and by Teosto, and this submission incorporates selected passages and positions from both submissions where they reflect the concerns of Finnish music creators.

The scale of the challenge facing music creators cannot be overstated. According to streaming service Deezer, 70,000 fully AI-generated tracks are uploaded to its platform every day, representing 44% of total daily uploads. According to CISAC, the largest international network of collective management organisations, music creators will see their income decrease by 24% by 2028, representing a total loss of €10 billion for the period 2024–2028. These are not projections about a distant future — they describe a structural transformation of the music ecosystem that is already well underway, driven in large part by generative AI services that have been built on music creators' works without consent, transparency, or remuneration.

Generative AI and Copyright: The Position of Finnish Music Creators

A new dedicated EU-level legislative framework is needed

Suomen Musiikintekijät ry / Finnish Music Creators shares the view of both ECSA and Teosto that the current EU copyright framework does not sufficiently address the structural challenges created by generative AI, and that a dedicated new EU-level legislative initiative is required. Revising the CDSM Directive is not necessary for this purpose, but a separate and focused legislative framework is needed to ensure the effective exercise and enforcement of authors' rights in the AI environment and to provide a solid basis for functioning licensing markets across the generative AI value chain.

This position is supported by the European Parliament's recent resolution on "Generative AI and Copyright" (P10 TA(2026)0066, adopted 10 March 2026), which stated that current copyright law is insufficient to address the challenge of licensing copyrighted material for generative AI and called for an additional legal framework to clarify licensing rules and address potential infringements.

The current framework fails music creators on several interconnected fronts. The large-scale unauthorised use of protected works by generative AI services has been evidenced by court proceedings in Europe and the United States. Generative AI service providers have largely refrained from engaging with rightsholders to negotiate licences and appropriate remuneration. The few licensing deals that exist have been concluded mainly in the context of US-based court proceedings and do not provide a viable solution for European music creators. And AI-generated content increasingly substitutes human-created works in downstream markets, cannibalising traditional revenue streams. A piecemeal approach — adjusting implementation instruments or clarifying existing exceptions — cannot comprehensively address these structural challenges.

Authorization, transparency, and the rights of music creators

For our members — whether a film composer, a jazz composer, a songwriter crafting melody and lyrics for popular music, or a creator of children's music — the inability to determine whether and how their works have been ingested by AI systems represents a serious and ongoing harm. The asymmetry of information between music creators and AI companies is profound.

The current transparency obligations for generative AI providers are inadequate: they do not enable rightsholders to identify whether and how their protected works have been used in connection with AI services. Critically, the AI Office's implementation documents under the AI Act have weakened, and in some cases effectively prevented, the possibility of exercising and enforcing copyrights in practice. The AI Act and its implementing instruments, as currently constituted, do not support the establishment of a functioning licensing market. The new dedicated legislation must therefore include specific, enforceable transparency obligations requiring AI services to cooperate in good faith with collective management organisations and rightsholders — either by obtaining licences or by providing detailed, verifiable information demonstrating that protected works were not used.

The objective of labelling AI-generated content (AI Act Article 50) remains important: music creators and the public must be able to distinguish AI-generated or AI-manipulated audio content from human-created works and to verify its origin. However, labelling alone is insufficient without a functioning rights and remuneration framework underpinning it.

A rebuttable presumption of use

To address the fundamental imbalance in access to evidence between AI providers and rightsholders, the new legislation should introduce a rebuttable presumption of use. Where AI providers refuse to cooperate in good faith with collective management organisations or rightsholders to obtain a licence, or fail to provide sufficient transparency regarding the protected works used for training, it should be presumed that protected works have been used. This presumption is essential to restore a fair balance and to make the exercise of rights practically meaningful for music creators who currently have no realistic means of proving infringement independently.

Text and data mining exceptions

On the text and data mining (TDM) exceptions under Articles 3 and 4 of the CDSM Directive, Suomen Musiikintekijät ry / Finnish Music Creators aligns with the position of Luovata ry. TDM exceptions do not cover the entire AI training process and were not conceived with generative AI in mind. In the context of generative AI, the scope of DSM Articles 3 and 4 appears to be interpreted too broadly, in a manner that exceeds the limits of the three-step test of the Berne Convention.

We emphasise that the Article 3 exception is strictly confined to genuine scientific research and cannot be used, directly or indirectly, to facilitate commercial AI development. The

Commission should make this unambiguously clear. We note in this regard that the November 2025 ruling of the Munich Regional Court in the GEMA v. OpenAI case confirmed that the TDM exception applies only to the creation of training datasets and not to subsequent copyright-relevant acts involved in the development of the AI model.

Regarding the reservation of rights, it is currently evident that rightsholders' opt-out declarations are not being fully respected. The Commission should make clear that when rights have been reserved, commercial users cannot invoke the TDM exception and are required to obtain permission from the relevant rightsholder. We do not support the introduction of a centralised opt-out registry. Such a registry would add complexity and administrative burden for rightsholders while failing to address the core enforcement problem: AI services' reluctance to disclose the sources they have used, whether protected works have been used, and the extent to which opt-outs have been respected. Rightsholders' ability to exercise their rights depends instead on clear and enforceable disclosure obligations requiring AI services to provide information on when and to what extent protected works are used, and to cooperate with rightsholders and their representative organisations.

Remuneration for AI outputs

Suomen Musiikintekijät ry / Finnish Music Creators supports the principle that music creators must be remunerated not only for the use of their works as training inputs, but also in connection with the outputs generated by AI services. Generative AI services that have been trained on our members' works now produce outputs that directly compete with those works — and in some cases risk replacing them altogether. This substitution effect is economically real and already measurable.

We therefore support licensing solutions that address both the input (the training data) and the output generated by AI services. The licensing model for generative AI proposed by GEMA — comprising a royalty on the AI service's net income combined with a share of revenues from the subsequent use of AI-generated output — represents a constructive approach that the Commission should take seriously. It should be confirmed that rightsholders' existing rights of reproduction and communication to the public apply to the generation and exploitation of AI-generated output, and that music creators must be remunerated by generative AI services and downstream users for AI outputs, even when individual works are not identifiable. We support this either through the application and clarification of existing rights or, where necessary, through the introduction of a new exploitation right.

Deepfakes and AI impersonation

Generative AI is increasingly being used to impersonate music creators — reproducing their artistic voice, distinctive stylistic characteristics, and in some cases their performances. Fraudsters use AI services to impersonate real artists and upload AI-generated tracks to those artists' profiles on streaming platforms, stealing their creative identity to generate fraudulent streams. According to Deezer, 85% of streams generated by fully AI-generated tracks are fraudulent.

Suomen Musiikintekijät ry / Finnish Music Creators urges the Commission to investigate the introduction of measures against the dissemination of AI deepfakes that imitate artists' personal characteristics and use their works and performances without consent. Making such content available to the public must always require the authorisation of the relevant rightsholder, and rightsholders must be guaranteed adequate means to have such content removed from public access. We note that Denmark has proposed a new intellectual property right to protect the personal characteristics — including appearance and voice — of both ordinary people and performers, and consider this a model worth examining at EU level.

Ensuring EU law applies to all AI services operating in the EU

It is essential that EU regulations apply to all actors operating within the Union. In relation to generative AI services whose models have been trained and developed outside the EU, consistent enforcement of EU and national copyright laws by national courts, regulatory authorities, the European Commission, and its AI Office is vital. Without this, non-EU-based technology companies could circumvent EU protections and rely on the laws and copyright exceptions of their home countries, thereby obtaining an unfair competitive advantage compared to EU-based AI companies.

Contractual Practices and the Remuneration of Music Creators (Articles 18–23 CDSM Directive)

Suomen Musiikintekijät ry / Finnish Music Creators notes with concern that the benefits of Articles 18 to 23 of the CDSM Directive — the provisions on fair remuneration of authors and performers in exploitation contracts — have not been adequately realised in practice. Their effective implementation is essential both in the general context of music exploitation and in the specific context of AI-related licensing.

AI licensing deals and the position of music creators

A small number of licensing deals have recently been signed between major record labels and AI services — usually following litigation, and mostly in the United States under US law. For Finnish music creators whose works may have been ingested by the AI services covered by these deals, the implications are deeply concerning. It is impossible to know whether composers and songwriters will benefit in any way from these agreements, despite their works having been exploited without consent or remuneration.

Suomen Musiikintekijät ry / Finnish Music Creators is aware of reports that music creators with existing recording and publishing agreements are receiving notifications informing them that they will be opted in to AI-related uses by default, with little actual choice offered. Similarly, new agreements are increasingly being presented with AI-related clauses as standard conditions of signing. This practice is unacceptable. The effective implementation of Article 19 on transparency is essential to ensure that music creators receive relevant and comprehensive information about the exploitation of their works through AI-related licensing deals and that they can exercise their contractual rights meaningfully.

Suomen Musiikintekijät ry / Finnish Music Creators calls on the Commission to ensure that the review leads to the effective implementation of Articles 18 to 23, with particular attention to Article 19 (transparency obligation), Article 20 (contract adjustment mechanism), and Article 22 (right of revocation).

Audiovisual composers

Finnish film and audiovisual composers face challenges that mirror those identified at European level by ECSA. Buy-out contracts — in which composers transfer all rights to their work in exchange for a one-time lump-sum payment and receive no royalties regardless of the success of the work — are a growing concern, driven in part by the expansion of US video-on-demand platforms in the Finnish and European markets. European creators are increasingly pressured by non-EU platforms to accept contractual terms that effectively deprive them of future remuneration, for a one-off payment and a broad and permanent transfer of rights under contracts subject to third-country law. These arrangements circumvent the safeguards of EU copyright law, including the principle of appropriate and proportionate remuneration under Article 18 of the CDSM Directive. Complementary EU-level legislative measures should be introduced to ensure that this principle functions as an effective and non-circumventable mandatory rule where European creators are affected.

Pseudo-publishing practices, whereby producers and broadcasters require composers to sign away or significantly reduce their publishing rights while not fulfilling traditional publishing services or transparency obligations under Article 19, similarly undermine the economic sustainability of audiovisual composition as a profession. The 2025 study by the European Commission found that 47% of authors and performers said that current laws and policies do not effectively protect their rights — a finding consistent with what Suomen Musiikintekijät ry / Finnish Music Creators hears from its members in the audiovisual sector.

Music streaming

Composers, songwriters, and lyricists — including those working in popular music, jazz, folk, and children's music — do not generally benefit from an appropriate and proportionate remuneration from music streaming, and have not seen their remuneration meaningfully improve since the implementation of the CDSM Directive. The current pro-rata distribution model, combined with high levels of market concentration among streaming platforms, creates structural conditions that are unfavourable to individual creators. Suomen Musiikintekijät ry / Finnish Music Creators urges the Commission to assess the functioning of the streaming market and to promote a fairer and more transparent ecosystem. Better identification of music creators on streaming services, transparency on the use of algorithms and playlist curation, and the promotion of the visibility and discoverability of European works are among the key measures needed.

Combating Online Piracy

On the issue of online piracy, Suomen Musiikintekijät ry / Finnish Music Creators fully endorses the position set out in the Luovat ry submission, which we summarise here for completeness.

Article 17 of the CDSM Directive has had a generally positive effect on enforcement and remains suitable for its purpose. However, not all Online Content Service Providers (OCSSPs) are fully complying with its obligations. Takedown procedures are still too slow or ineffective on some platforms, removed content is often reinstated too easily, and many services lack effective stay-down mechanisms. The review should concentrate on ensuring full compliance by all OCSSPs with Article 17 requirements. The Commission should also make it clear that content under dispute must remain unavailable while any alternative dispute resolution process is ongoing.

Illegal streaming of live content is a growing problem and a serious economic threat. The Commission's view on the remedies outlined in the Recommendation on combating online piracy of sports and other live events is supportable, including the need for prompt handling of notices during live transmissions, the importance of dynamic injunctions, and the involvement of all relevant intermediaries. Any targeted future initiative should build on these existing measures, ensuring they are properly and consistently applied across all Member States. Dynamic injunctions are still not available in Finland.

Speed and flexibility have become essential as infringing services evade enforcement by moving quickly between service providers and domains. Email notifications and static domain lists are not adequately effective today. The application of the existing blocking order provision (InfoSoc Article 8(3)) should adjust to this change. A narrow, targeted EU legislative framework for live piracy can work if it is fast, flexible, technologically neutral, and applies to all relevant intermediaries and technical infrastructure. Hosting providers should be required to remove and disable access to notified content immediately, and to prevent the reappearance of that content. The Digital Services Act already provides necessary provisions for these measures, though differences in application across Member States persist. National Digital Services Coordinators are in a key position, and the Commission should address them. Quick access to accurate Whois information of domain names is essential. The Commission should ensure

that Articles 27 and 28 of NIS2 are applied correctly and that the rightsholders' right of information applies fully in practice. All intermediaries have an essential role in identifying infringers and should collect and verify the identity of their business customers.

Conclusion

Suomen Musiikintekijät ry / Finnish Music Creators represents the full diversity of professional music creation in Finland. Our members — songwriters, lyricists, film composers, folk and children's music creators, jazz composers, and game music composers — share a common interest in a copyright framework that is enforced with rigour, that ensures fair remuneration for all uses of their works including AI-related uses, and that supports the long-term sustainability of music creation as a profession.

We call on the Commission to:

- Introduce a dedicated new EU-level legislative framework on generative AI and copyright that addresses both the input and output stages, prevents market distortion, enables licensing at scale, and ensures fair remuneration for music creators;
- Include a rebuttable presumption of use in the new framework, applying where AI providers refuse to cooperate in good faith or fail to provide sufficient transparency regarding the protected works used for training;
- Ensure specific and enforceable transparency obligations that go beyond the current AI Act implementation, enabling rightsholders to exercise and enforce their rights in practice;
- Clarify the scope of TDM exceptions and ensure that rights reservations are respected in practice, without imposing new registration burdens or a centralised opt-out registry on rightsholders;
- Confirm that existing rights of reproduction and communication to the public apply to AI-generated output, and that music creators must be remunerated for such output by AI services and downstream users;
- Investigate measures against AI deepfakes and impersonation of music creators;
- Ensure the effective implementation of Articles 18 to 23 of the CDSM Directive, with particular attention to transparency, fair remuneration, and contract adjustment mechanisms in the context of AI-related licensing deals, audiovisual contracts, and music streaming;
- Introduce complementary measures to protect European music creators against coercive buy-out practices originating outside the EU that circumvent EU law principles on appropriate and proportionate remuneration;
- Strengthen enforcement of Article 17 obligations for OCSSPs and introduce effective tools to combat live streaming piracy across all Member States.

We align ourselves with the submissions of both Luovat ry and ECSA, and fully support the call by Teosto and GESAC for an effective, enforceable, and copyright-based dedicated EU legislative framework on generative AI and copyright that safeguards human creativity and ensures fair remuneration for creators.

Helsinki, June 2026
www.musiikintekijat.fi