

# Navigating the IP Future of AI in South East Asia



As AI technology rapidly evolves, South East Asia is a fast-growing market for the technology, with huge recent data centre and cloud infrastructure growth in the region. Beyond this, the first generative AI products developed in the region are appearing. These range from SE Asian language tools, to ecommerce AI recommendations, to fintech AI fraud detection tools.

So ASEAN countries are creating AI strategies and frameworks to harness its potential while also considering ethical concerns. But few have full AI legal or IP frameworks in place.

## ASEAN's Digital Economy

The regional trade body ASEAN has a Digital Economy Framework Agreement. This lays the foundation for a cohesive technological landscape across the region. This agreement aims to enhance digital trade, promote innovation, and ensure that all member states benefit from digital transformation. By 2045, ASEAN envisions becoming a global leader in various technology sectors including an AI-driven digital economy.

## National AI Strategies

### Across Southeast Asia

Each ASEAN member country is developing its own approach to AI governance:

#### Singapore

The city-state is at the forefront with multiple AI initiatives. The Veritas AI Framework guides the financial sector, while the Infocomm Media Development Authority (IMDA) launched AI Verify to ensure ethical AI deployment in various sectors.

#### Thailand

Thailand has issued AI Ethics Guidelines and is drafting a Royal Decree on AI Operations to establish a legal framework for AI technologies and their applications.

## Overview

Southeast Asia is rapidly becoming a key hub for AI technology, driven by significant investments in data centers and innovative applications. Each ASEAN member is developing national AI strategies, focusing on ethics while facing gaps in legal and intellectual property frameworks. The ASEAN Digital Economy Framework aims to promote digital trade and position the region as a global AI leader by 2045.

However, uncertainties in copyright and patent laws for AI-generated content pose challenges, highlighting the need for urgent legal reforms to support AI growth.

## Malaysia

The country has National Guidelines on AI Governance and Ethics.

## Philippines

The draft Artificial Intelligence Regulation Act proposes a regulatory framework, including an "AI Bill of Rights" to protect citizens' interests.

## Indonesia

Indonesia has a National AI Strategy. More interestingly its IP department announced an AI algorithm to conduct IP searching and examination in February 26, 2025 to speed up IP functions.



## AI Deployment: Investments and Innovations

AI technology investment is surging in the region. Notably, Nvidia's joint venture factory with FPT Corp in Vietnam and its 4.3 billion investment proposal to establish a plant in Malaysia.

Over \$30 billion of AI-ready data centers have been started in Singapore, Thailand, and Malaysia. Many new AI tools have been launched. E-commerce giant Lazada has AI Lizzie, a virtual shopping assistant, AI algorithms help Gojek drivers in Indonesia find the most efficient routes, the Philippines' Sprout Solutions offers an AI-powered HR and payroll platform, Locofy.ai in Singapore helps developers convert design files into code and

Thailand's Social+ creates AI customer engagement chatbots and voicebots.

## The Regulatory Landscape: The IP Challenges to solve

Many ASEAN countries are drafting new copyright laws and policies, but clarity remain scarce. Singapore led with its 2021 changes to copyright law to create its Computational Analysis defence to permit legitimate data collection and processing for LLM training, designed to allow investment in AI capable data centres.

However, the legal landscape for AI is largely uncertain. Two vital IP/legal areas remain unclear:

- ASEAN's copyright and patent laws require human authors/inventors. There is no clarity whether human prompts count as authorship; so AI outputs are probably not protected copyright works or patentable inventions in ASEAN today.
- Fair use rules don't cover data extraction for LLM training, so presumably LLM training is infringement everywhere but Singapore. Singapore's laws do not protect AI companies in the region who may have multiple processing sites.. Probably in all countries AI outputs that reproduce copyright works are infringements too.

## A Wider Asian IP Perspective on AI

While ASEAN countries have yet to see AI disputes, India and China have some.

Hong Kong is proposing LLM training exceptions to be added to its new copyright law like Singapore has done.

In India publishers are suing ChaptGPT over reproduction of their works scraped from the internet, claiming infringement in the LLM training and the AI outputs. One case involves literary works, another is over ingested news reports[1].

In China many cases have established that AI works are copyright protected – for example in financial articles, animated images and Audio visual content[2]. In addition there have been several copying cases: using copyrighted video to train LLMs without permission was infringement, stealing confidential AI chip data is trade secret infringement.

## Future Outlook: Trends and Predictions

The policy frameworks are in place, investment is coming into AI and AI tools are now being launched. But huge uncertainty around copyright laws means urgent amendments are needed. Singapore is well ahead; other markets need to enact them soon. There is a need for harmonization to avoid county gaps too; this should be ASEAN's role given its ambitions of long term leadership by the region.

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[1] Federation of Indian Publishers v OpenAI – books and publications; ANI v OpenAI – news reporting

[2] Dreamwriter Financial Article: Shenzhen Nanshan District People's Court; Ultraman : Guangzhou Internet Court; AI Audio-Visual: Chen Kun sued a Douyin account