Legal Aspects of Transforming Videos into Non-Fungible Tokens (NFT) Based on Copyright Law No. 28 of 2014

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Abstract

The main objective of this paper is to analyze in depth the video transformed into non-fungible token (NFT) in the context of copyright protection as regulated in Copyright Law No. 28 of 2014. The focus of the discussion is directed at how the process of transforming a video into NFT can be qualified as a form of format change that is recognized as a new creation based on applicable legal provisions, especially Article 40 paragraph (1) letter n of the Copyright Law. This study uses a normative legal research method, which is based on an analysis of applicable written legal norms. The approach used is a conceptual and legislative approach, by examining the provisions in relevant laws and regulations, especially the Law. The results of this study indicate that a video transformed into an NFT is a form of legally valid transformed work and automatically obtains copyright protection. This protection is important to ensure that video creators retain exclusive rights to their work, even though it has undergone a format change. To strengthen legal protection, creators can register their NFT video works, so that their legal status becomes clearer. In the event of use of a work by another party without permission, especially for commercial purposes, the creator or copyright holder has the right to take legal steps, including reporting the violation to the relevant authorities for appropriate law enforcement processes.

I. Introduction

The history of video is rooted in the development of photography and cinematography technology in the late 19th century. The beginning of the emergence of video cannot be separated from important discoveries such as the zoopraxiscope by Eadweard Muybridge in 1879, which used a series of moving images to create the illusion of movement. Soon after, Thomas Edison and his assistant William Kennedy Laurie Dickson developed the kinetoscope in the early 1890s, a device that allowed one person to view moving images through a peephole. This invention laid the foundation for the development of early cinema. As technology developed, the Lumière brothers in France introduced the cinematograph in 1895—a device that not only recorded but also played films to an audience. This was a major milestone in the history of visual media and marked the beginning of the cinema era.[1]

Entering the 20th century, film technology continued to advance. In the 1920s, silent films dominated the entertainment industry until finally in 1927, the first sound film titled The Jazz Singer was released, marking a revolution in the film industry. This synchronous sound technology slowly replaced silent films and opened a new era in the creation and presentation of visual content. At the same time, the development of television began to emerge, with early experiments being carried out by John Logie Baird and Philo Farnsworth who developed mechanical and electronic television systems respectively. The 1930s saw the beginning of experimental television broadcasts, which later developed into regular broadcasts after World War II, especially in the United States and Europe.[2]

In the 1950s, television became a mainstream medium, replacing radio as the most popular means of entertainment and information. Video technology at the time was still limited to live broadcasts or replays via film. However, in 1956, Ampex introduced the first videotape recorder (VTR), which allowed for the recording and replay of television broadcasts. This was a major breakthrough in the history of video because it allowed for the storage and distribution of content in physical form. The videotape era continued into the 1970s with the emergence of the VHS (Video Home System) format by JVC, which made video more personal and accessible at home via a VCR (Video

[1] JUANDA MARIA ANGELIA, ANNISA AYU MULIA, and DETANTI ASMANINGAYU PRAMESTI, "Copyright Protection of Video Games for Game Developers in Indonesia," Notaire 2, no. 2 (2019): 213, https://doi.org/10.20473/ntr.v2i2.13097.
[2] ANGELIA, MULIA, and PRAMESTI.

Cassette Recorder). In this era, video began to become a part of everyday life, including in education, entertainment, and personal documentation.[3]

Entering the 1980s and early 1990s, video began to undergo digitization. This began with the use of more sophisticated analog video systems and slowly shifted to digital formats. Digital formats such as Video8 and MiniDV allowed for better quality and easier editing processes. The advent of personal computers and video editing software such as Adobe Premiere began to change the way video was produced and edited. As storage capacity and computing power increased, digital video production became increasingly popular, both with professionals and amateurs.

The next major revolution came in the early 21st century with the advent of high-speed internet and video sharing platforms like YouTube, launched in 2005. For the first time, anyone could create, upload, and distribute videos worldwide without having to go through traditional broadcast channels. This paved the way for independent content creators and new video formats such as vlogs, tutorials, and independent music videos. Advances in digital camera technology and smartphones made video production even easier. People no longer needed expensive equipment to create high-quality videos.[4]

Today, video development is not only limited to two dimensions. Virtual reality (VR), augmented reality (AR), and 360-degree video are becoming new frontiers in visual experiences. Videos are no longer just watched, but also experienced immersively. Platforms such as YouTube and Facebook have supported 360° video formats, while VR technologies such as Oculus and HTC Vive allow users to experience content directly in a virtual world. At the same time, AI is starting to play an important role in video production, such as in automatic editing, visual effects creation, and deepfake.

With the advancement of 5G connectivity, cloud computing, and artificial intelligence, the future of video looks set to become more personal, interactive, and real-time. Video has evolved from a scientific experiment to one of the most dominant forms of communication and expression in the world today. In just over a century, video has crossed the boundaries from physical to digital, from static to interactive, and from exclusive to universal.[5]

[3] Daniil Shmatkov, "Copyright Issues in Digital Society: Sports Video Games," CEUR Workshop Proceedings 3126 (2021): 291–97, https://doi.org/10.2139/ssrn.4103572.
[4] John Quagliariello, "Applying Copyright Law to Videogames : Litigation Strategies for Lawyers," Journal of Sports & Entertainment Law Harvard Law School 10 (2018).
[5] Quagliarella.

NFTs, or Non-Fungible Tokens, are unique digital assets stored on a blockchain network that cannot be directly exchanged for each other because they have their own unique value, identity, and characteristics. Unlike cryptocurrencies like Bitcoin or Ethereum, which are fungible, NFTs are unique, like original works of art or rare collectibles. NFTs are used to represent ownership of various forms of digital assets such as images, music, videos, even in-game items or other digital documents. The way NFTs work relies heavily on blockchain technology, specifically the Ethereum blockchain, which uses the ERC-721 or ERC-1155 token standards to create and manage these non-fungible assets. When someone creates an NFT (a process called "minting"), they upload the digital asset to the blockchain platform and create a smart contract that includes important metadata such as the owner, transaction history, and original attribution.[6]

The history of NFTs dates back to the mid-2010s, although the idea of digital ownership has actually been around for much longer. One of the first NFT projects was Quantum, created by Kevin McCoy and Anil Dash in 2014. However, NFTs began to gain widespread attention in 2017 with the emergence of CryptoPunks, a collection of 10,000 unique pixel-art characters on the Ethereum blockchain created by Larva Labs. Shortly after, CryptoKitties—a blockchain-based game where users could buy, raise, and sell unique virtual cats—went viral, introducing the concept of NFTs to a wider market. The following years saw an explosion of interest in NFTs, especially in 2020 and 2021, as artists, musicians, and celebrities began adopting NFTs to sell their work directly to fans without intermediaries. One notable moment was the sale of Beeple's digital artwork "Everydays: The First 5000 Days" at Christie's auction house for $69 million in 2021, bringing NFTs into the global spotlight.[7]

In Indonesia, the NFT trend began to be widely known by the public in late 2021 to early 2022, coinciding with the global trend. This phenomenon was reinforced by success stories such as Ghozali Everyday, an Indonesian student who sold his daily selfies in the form of NFTs and gained international attention. This incident opened the eyes of the wider community to the economic potential of NFTs and encouraged many local

[6] Splyt Official Team, "'History of the NFT,'" Medium.com, 2021, https://medium.com/@Splyt_Team_Official/history-of-the-nft-218ed1c2a5a4.
[7] Dio Bintang Gidete, Muhammad Amirulloh, and Tasya Safiranita Ramli, "Legal Protection for Copyright Infringements on Artworks Made into Non-Fungible Token (NFT) Works in the Digital Economy Era," Jurnal Fundamental Justice 3, no. 11 (2022): 1–18, https://doi.org/https://doi.org/10.30812/fundamental.v2i2.1736.

artists, content creators, and creative industry players to explore NFTs as a means of distributing and monetizing their work. Several local platforms and communities have also begun to emerge, providing educational and transaction spaces for NFTs based on digital artwork, photography, and even Indonesian pop culture collectibles.[8]

One of the most interesting forms of NFTs is video. Video NFTs can include sports game footage, concert footage, short cinematic works, or specific viral videos packaged into a unique digital asset on the blockchain. An example is the short video clips from NBA games sold on the NBA Top Shot platform, where fans can own their favorite "moments" in the form of NFTs. Video as an NFT offers added value because it creates a new way to archive, distribute, and profit from audiovisual works. However, this is where a rather complex issue arises, namely the issue of copyright and intellectual property.[9]

The copyright issue in the context of videos turned into NFTs stems from a common misunderstanding about what NFT owners are actually buying. Buying a video NFT does not buy the copyright to the video. What is being purchased is a digital token that represents ownership of a particular version of the content, not ownership of exclusive rights or commercial distribution rights. Copyright remains with the original creator unless explicitly transferred. This gives rise to a variety of legal issues, especially when someone creates an NFT from someone else's work without permission. For example, if a music video is turned into an NFT without the consent of the copyright holders of the song and video, that would be considered a violation of the law. Because blockchain is immutable, taking down these pirated NFTs can be extremely complicated, although some platforms provide reporting mechanisms.

In Indonesia itself, understanding of NFT copyright is still relatively new and has not been specifically regulated in regulations. Protection of intellectual property rights is indeed regulated in the Copyright Law, but its application to blockchain-based digital assets is still being debated, especially regarding jurisdiction and cross-country law enforcement. Therefore, it is important for NFT creators and buyers to have a deep understanding of copyright,

[8] Liew Voon Kiong, DeFi, NFT and Game Fi Made Easy A Beginner's Guide to Understanding and Investing in DeFi, NFT and Game Fi Projects (Leister: Liew Von Kiong, 2021).
[9] Dewi Sulistianingsih and Apriliana Khomsa Kinanti, "Non-Fungible Token (NFT) Copyright Rights from the Perspective of Intellectual Property Rights Law," Krtha Bhayangkara 16, no. 1 (2022): 197–206, https://doi.org/10.31599/krtha.v16i1.1077.

licensing, and usage restrictions for each NFT they create or buy. Some creators now include explicit licenses that explain what NFT buyers can and cannot do with the asset. In response to this problem, the author would like to examine the process of transformation from video to NFT and how is copyright protection for videos that have been turned into NFTs?

NFT referred to in this article specifically refers to the form of video, both in English and Indonesian, which is used as proof of digital ownership through NFT token technology. This is based on various forms of NFT such as music, images, games, trading cards, and videos, with the main emphasis on video as an audiovisual work of creation that is transformed into NFT. The purpose of this article is to discuss how legal protection for videos that are transformed into NFTs can be applied, as well as how the process of transformation from ordinary videos to NFT assets takes place technically and legally. This article reviews in detail the legal protection of video NFTs based on the provisions of the Copyright Law No. 28 of 2014 (hereinafter referred to as UUHC). This article also describes the stages of transforming videos into NFTs, starting from the minting process on the blockchain platform to the registration of metadata that includes information on the creator, owner, and license to use it. Thus, this article aims to provide a comprehensive understanding of how legal protection and technical aspects interact in the development of video NFTs as part of the ever-growing digital ecosystem.

2. Research Methods

This study uses a normative legal research method with a conceptual approach, a statutory approach, and an analytical approach. The collection of legal materials was carried out through document studies, and the analysis used was qualitative. As explained by Peter Mahmud Marzuki, normative legal research is a process that aims to find legal rules, legal doctrines, and legal principles in order to answer legal issues that occur in society. In this context, the research focuses specifically on legal protection for videos transformed into non-fungible tokens (NFTs), as well as understanding the transformation process from video works to NFT assets. The conceptual approach is used to explore and explain the basic concept of copyright on video works and how it is applied in the form of NFTs as digital objects. The statutory approach is applied to examine the provisions of the Copyright Law No. 28 of 2014 relating to the protection of video works as creations that

have economic and moral value. Meanwhile, the analytical approach is used to interpret and evaluate the process of converting videos into NFTs legally and technically, including how videos are packaged in digital format, entered into the blockchain system, and recognized as objects of ownership through tokenization. Through these approaches, the research is expected to provide a complete understanding of the form of legal protection for videos converted into NFTs, as well as explain the transformation process within the legal framework applicable in Indonesia.[10]

3. Results and Discussion

Video Transformation to NFT Copyright Law Perspective

In the world of video, there are several basic elements such as narrative, visuals, sound, flow of presentation, and emotional interaction. Each of these elements plays an important role in creating an interesting and memorable video. Narration involves the story, characters, and setting that form the structure and main message of the video. A strong story in a video can increase the emotional involvement of the audience and convey the message more effectively. For example, in documentary videos or short films, narrative is often the core of the visual experience, allowing the audience to dive into the theme, conflict, and character development in depth.[11]

Visuals are a key aspect of a video, including cinematography, image composition, visual effects, and animation. Well-designed visuals are not only aesthetically pleasing, but also support the narrative flow and strengthen the delivery of the message. For example, in videos with social themes, the use of shooting angles, lighting, and colors can create nuances and arouse the audience's empathy for the issues raised. Visual elements are also the main attraction in NFT videos, highlighting the uniqueness of the shape, style, and graphic details as part of their digital value.

Sound includes background music, sound effects, and dialogue. Background music in a video can create atmosphere, build emotional tension, and emphasize key moments. Sound effects serve as visual complements that provide a sense of realism, while dialogue plays a role in strengthening characterization and storyline. Good sound quality in a video greatly determines the overall quality of the production and its impact on the audience. In the context of NFT videos,

[10] Kornelius Benuf & Muhamad Azhar, "Legal Research Methodology as an Instrument for Analyzing Contemporary Legal Problems," Gema Keadilan 7, no. 1 June (2020): p. 23.
[11] Gidete, Amirulloh, and Ramli, "Legal Protection Against Copyright Infringements on Artworks Made into Non-Fungible Token (NFT) Works in the Digital Economy Era."

sound is also an integral part of the protected digital work as a whole with the image.[12]

The flow of presentation in a video includes how the scenes are arranged, transitions, and the rhythm of delivery. A good flow structure will maintain the audience's interest from start to finish. Editing techniques play a big role in this, with the use of appropriate cuts, timing, and transition effects so that the video can flow logically and enjoyably. This flow arrangement is also important in distinguishing between regular videos and NFT videos which have their own distinctive narrative structure and uniqueness as a form of curated digital work.

Emotional interaction is an inseparable aspect of video, especially in works that aim to convey social, motivational, or personal messages. Videos that successfully touch the emotions of the audience can leave a deep impression and be more easily remembered. In video NFTs, this interaction becomes part of the intrinsic value that influences the perception and price of the NFT itself.[13]

Videos are protected by copyright because they are audiovisual works resulting from a creative and intellectual process. Copyright protects videos as a complete work, including the narrative, images, sounds, and other elements that make them up, to ensure that the creator has exclusive rights over the reproduction, distribution, and modification of the work. This protection is important to appreciate the hard work and creativity of the video creator, as well as to prevent the misuse of the work that can be economically and morally detrimental. Copyright also maintains the quality and integrity of videos as intellectual products, encouraging innovation and sustainability in the digital creative industry.

NFT video is a copyrighted work object protected by the Copyright Law No. 28 of 2014 (UUHC). NFT, or non-fungible token, is a non-exchangeable digital token that serves as unique proof of ownership of a particular digital asset, including video. According to the Merriam-Webster Dictionary, NFT is defined as: “a unique digital identification that cannot be copied, replaced, or shared, recorded in a blockchain and used to prove the authenticity and ownership of a particular digital asset and the rights associated with it.”[14]

The NFT video referred to in this study is a digital audiovisual work that is transformed into an NFT token as a form of ownership on the blockchain

[12] Dina Purnama Sari, “Using NFT as a Business Opportunity in the Metaverse Era” 7 (2022): 237–45.
[13] Muhammad Usman Noor, “NFT (NON-FUNGIBLE TOKEN): THE FUTURE OF DIGITAL ARCHIVES? OR JUST A BUBBLE?” 13, no. 2 (2021).
[14] Michael Angelo and Nyoman Satyayudha Dananjaya, “Protection of Non-Fungible Token Art: Innovation of Creative Works from a Copyright Perspective,” Udayana Master of Law Journal 11, no. 3 (2022): 629–42, https://doi.org/10.24843/JMHU.2022.v11.i03.p11.Tujuan.

network. The Cambridge Dictionary explains that a video is a series of moving images usually accompanied by sound, which is recorded, played, or broadcast electronically. This explanation shows that video as a form of digital work has complex elements that can be used as an NFT object and deserves legal protection. UUHC in Article 40 letter r explains that protected creations include cinematographic works, including videos. Meanwhile, Article 1 Paragraph 1 of UUHC explains that copyright is the exclusive right of the creator that arises automatically after a creation is realized in a real form, including in the form of a video that is converted into an NFT as a digital copyright work, the contents of which are:

> "Copyright is the exclusive right of the creator that arises automatically based on the declarative principle after a work is manifested in a tangible form without reducing restrictions in accordance with statutory provisions."

Transformation of creative works is one of the objects that is expressly protected by Copyright Law No. 28 of 2014 (UUHC). This is explained in Article 40 paragraph (1) letter n which states that

> "Creations resulting from transformation, adaptation, arrangement, modification, or other forms of change to the original work are included in the category of protected creations."

The explanation of the article makes it clear that the transformation in question includes changing the format of a work into a different form, for example from pop music to dangdut music, which although originating from the same creation, has undergone a change in form or medium. Based on this understanding, videos that are transformed into NFT (Non-Fungible Token) are also included in the category of copyrighted transformations because there is a substantial change in format from audiovisual works to blockchain-based digital representations.[15]

The transformation from video to NFT involves more than just changing the file extension or digital storage. In this process, the video, which was previously just a conventional audiovisual file (such as MP4, MOV, or AVI format), is transformed into a unique digital entity represented as a cryptographic token within the blockchain system. This process is known as minting, which is when the video is uploaded to a blockchain-based platform and technically bound with metadata that explains its ownership, authenticity, and distribution rights. In other words, the video is not only transformed in its technical form, but also in its function and legal status as an object of ownership in a decentralized

[15] Syaidina Akasyah, Deslaely Putranti, and Reza Ajeng Febiani, "Copyright Protection for NFT (Non-Fungible Token) in Indonesia," Borobudur Law and Society Journal 2, no. 2 (2023): 36–47.

digital network. Therefore, this change reflects a transformation in the legal sense, as defined by the Copyright Act.[16]

Video format and NFT format are two different things in terms of characteristics and structure. Video is a work of creation in audiovisual form that can be played on various media, while NFT is a unique digital representation that cannot be exchanged, and can only be verified and traded through a blockchain system. When a video is converted into an NFT, it is no longer just an ordinary visual file, but has been packaged as a unique token that records the owner's identity, transaction history, and other information in the form of a smart contract. This transformation makes the video a new work with a different form of presentation and distribution context from its original form. Due to this change in format, NFT videos can be categorized as the result of a transformation that has legal standing as a new work of creation that obtains legal protection as regulated in the Copyright Law.

It is important to understand that copyright protection for the results of this transformation does not remove the rights of the original creator of the video. On the contrary, copyright remains with the original creator, including when the work is transformed into NFT, as long as the transformation process is carried out by or with the consent of the copyright holder. Without the consent of the copyright owner, the process of transforming a video into an NFT can be considered a copyright infringement, because it changes the format of the work without permission. Therefore, in the context of legal protection, the creator and owner of the rights to the video have the exclusive right to transform it into an NFT and distribute it legally.[17]

In conclusion, the transformation from video to NFT is a legal process that is recognized and protected in the Indonesian legal system based on Copyright Law No. 28 of 2014. Because this process meets the transformation criteria described in Article 40 paragraph (1) letter n, NFT videos are entitled to legal protection as a form of creative work resulting from the transformation. This protection is very important in today's digital era, where the forms of work are increasingly diverse and technology allows for various new ways to store, distribute, and monetize creations. With proper copyright protection, video creators who transform their work into NFTs can protect their rights and legally obtain economic benefits from this digital innovation.

Within the framework of copyright law in Indonesia, Article 8 of Law Number 28 of 2014 on Copyright (UUHC) states:

[16] Heruka, NFT Fad to Earn Crypto Profits (Tokyo: Heruka, 2022).
[17] Andrew Walker, Metaverse and NFT Investing 2022 and Beyond (English: Bukel, 2022).

"Economic rights are the exclusive rights of the Copyright Holder to obtain economic benefits from a Creation."

This provision affirms that economic rights are the primary rights held by the copyright holder to economically exploit their creation. The copyright holder is not only recognized as the creator of a work but is also granted the right to gain financial benefit from it. This includes various forms of economic utilization such as reproduction, distribution, performance, rental, and adaptation. Thus, Article 8 serves as the foundation for legal protection of intellectual works to prevent misuse by other parties seeking to profit without permission. This article also clarifies that copyright is not merely a matter of moral recognition but also an economic instrument with market value.

Furthermore, Article 9 paragraph (3) of the UUHC reads:

> "Any person who, without the permission of the Creator or Copyright Holder, is prohibited from reproducing and/or using the Creation for commercial purposes."

This article strictly prohibits any form of reproduction or commercial use of a creation without the consent of the creator or copyright holder. In other words, no one may legally reprint, sell, or otherwise use someone else's work for business purposes without authorization. This provision directly supports the protection of economic rights as mentioned in Article 8. If a violation occurs, the offender may be subject to civil or criminal sanctions as regulated by other provisions in the UUHC. The article also emphasizes that a copyrighted work remains legally protected even after it becomes widely accessible to the public, and that unauthorized commercial use constitutes a serious infringement of the creator's exclusive rights.

To facilitate the legal use of a work by other parties, Article 1 point 20 of the UUHC defines a license as follows:

> "A license is a written permission granted by the Copyright Holder or Related Rights Owner to another party to exercise economic rights over their Creation or Related Rights product under certain conditions."

This definition provides a clear legal basis that a license is an official, written form of consent from the rights holder to another party. Without such a license, the use of a work for economic purposes by a third party is considered a legal violation. Through a license, the relationship between the rights holder and the user becomes legal and bound by an agreement that may specify conditions such as duration, territory, and scope of use. Licenses may be exclusive—where only one party is granted the right to use the work—or non-exclusive—allowing multiple parties to use the same work. This article also paves the way

for broader commercialization of copyrighted works, while maintaining a clear and lawful structure.

Further regulation on licensing is provided in Article 80 of the UUHC, which states:

> "Unless otherwise agreed, the Copyright Holder or Related Rights Owner has the right to grant a License to another party based on a written agreement to carry out the acts referred to in Article 9 paragraph (1), Article 23 paragraph (2), Article 24 paragraph (2), and Article 25 paragraph (2)."

This article asserts that the granting of licenses by the copyright holder must be based on a written agreement unless another agreement specifies otherwise. This means that all authorization processes for the use of a work must be conducted formally and documented. A written agreement serves as valid legal evidence in the event of a future dispute. This article also shows that the copyright holder retains full control over who may use their creation and under what conditions. Therefore, a license not only protects the owner's rights but also provides legal certainty for the licensee, ensuring that their use of the work is not considered an infringement.

Overall, the four articles mentioned above demonstrate a structured system of copyright protection. Article 8 grants exclusive rights to economic benefits, Article 9 paragraph (3) safeguards these rights through prohibitions on unauthorized use, Article 1 point 20 opens the mechanism for granting permission through licensing, and Article 80 ensures that such licensing is legally executed through written agreements. This system supports the development of a fair ecosystem within the creative industry and guarantees that creators receive rightful recognition and benefits for their work. At the same time, other parties wishing to use a creation may do so legally by obtaining a license. With this clear regulation, copyright law functions not only repressively but also as a facilitative tool for industry players and the public to responsibly utilize intellectual creations.

A person's ideas, creativity, ability, skill, ingenuity, or knowledge that can be enjoyed by many people are copyrighted works within the scope of protected copyright. This includes creations in the fields of literature, art, and science. According to the concept of copyright in the UUHC (Copyright Law), the work of a creator is automatically protected. This protection mechanism is included in the Berne Convention, which was adopted in the WTO Agreement No. 7 of 1994. The oldest copyright convention, the Berne Convention, explains that this idea of automatic protection is a principle.[18]Copyright holders are not required

[18] Nurjamilah et al., "The Impact of Artificial Intelligence on Copyright (Analysis of Creative Works Generated

to register their works under the concept of automatic protection; registration of copyright is optional. Natural law, which states that copyright is the natural and direct result of an individual's production and is acquired at the time of producing the copyrighted work, not as a gift from another individual, is consistent with this automatic protection.[19]

Copyright and other forms of intellectual property protection are heavily influenced by Robert M. Sherwood. According to Robert M. Sherwood in the theory of intellectual property protection, which discusses the theory of appreciation, the theory of recovery, the theory of risk, the theory of incentives, and the theory of stimulus to economic development, NFT art is actually subject to copyright as an image created by humans. A creator has the opportunity to be recognized for their copyrighted work if they produce or develop it, according to the hypothesis of appreciation. Article 4 of the Copyright Law states the theory of pre-established recognition, which provides exclusive rights and moral rights. Moral rights are rights that are inseparable from the creator, which are recognized, respected, and attached to them even after their death.[20]

In addition to the moral rights mentioned above, UUHC also provides protection to copyright holders regarding economic rights, which are regulated in Article 9 of UUHC. Article 9 paragraph (1) of UUHC states that copyright holders have economic rights to: a) publish works; b) reproduce works in various forms; c) translate works; d) adapt, compile, or change works; e) distribute works or copies made; f) display works; g) publish works; h) communicate works; i) rent works. Regarding the granting of economic rights, Article 9 paragraph (2) of UUHC states that "every person who exercises economic rights as referred to in paragraph (1) must obtain permission from the creator or copyright holder. Production of copyrighted works is prohibited." Commercial use or production of copyrighted material without permission is prohibited, as stated in Article 9 paragraph (3) of UUHC, which also requires permission from the inventor or copyright holder for commercial purposes. An explanation of how Robert M. Sherwood's incentive theory protects the economic rights of copyright holders or inventors.

The process of transforming video into NFT

The process of transforming a video into an NFT (Non-Fungible Token) is a

by Bing Image Creator)," Jurnal Hukum dan HAM Wara Sains 3, no. 01 (2024): 77–83.

[19] Cornelius Novan Trihansyah, Faculty of Law, and Udayana University, "Copyright Protection of Digital Painting Works in the Form of Non-Fungible Tokens (NFT) in Indonesia," Jurnal Kertha Semaya 11, no. 6 (2023): 1308–16.

[20] Ratih Widowati, "Law Enforcement Against Copyright Violations in the Sale and Purchase of Literary Works on the Marketplace," Journal of Legal Analysis 5, no. 2 (2022): 220–30, https://doi.org/10.38043/jah.v5i2.3770.

series of technical and legal steps that transform conventional video formats into unique blockchain-based digital assets. The initial stage in this process is preparing the video as a work of creation. The video that will be transformed into an NFT can be a short film, documentary, animation, or other audiovisual footage. The creator must ensure that the work is entirely original or has the rights to every element in it, including sound, music, and images. The video file formats commonly used are MP4, MOV, or WebM, and must meet the technical requirements of the NFT platform to be used, such as duration, file size, and certain resolutions.

Once the video is ready, the next step is to choose an NFT platform that supports the creation and sale of video-based NFTs. Some popular platforms for this include OpenSea, Rarible, Foundation, and SuperRare. Each platform has its own characteristics regarding user interface, royalty system, community, and transaction fees. Before the minting process can be carried out (tokenization), the creator needs to have a crypto wallet, such as MetaMask, Trust Wallet, or Coinbase Wallet. This wallet functions as a place to store crypto such as Ethereum (ETH) and also to receive and store the NFTs that have been created.[21]

The crypto wallet is then connected to the NFT platform through an interface available on the platform's website. Once connected, creators can begin the minting process, which involves uploading a video to the platform and setting the NFT's metadata. This metadata includes important information such as the video's title, description, copyright, category, and desired royalties if the NFT is resold. In addition, creators can also set the number of copies of the NFT to be issued, although in most cases, NFTs are created in quantities of one as a unique token that cannot be duplicated.

Uploaded video files are not stored directly on the blockchain due to network capacity limitations. Instead, the videos are stored on decentralized storage such as IPFS (InterPlanetary File System). The blockchain only stores a unique hash or link to the file, along with a smart contract containing the NFT's identification and ownership data. Once all the data is set up, the creator must pay a transaction fee or gas fee using the crypto in their wallet. This fee is required to complete the minting transaction on a blockchain network, such as Ethereum.

Once this process is complete, the video has officially been transformed into an NFT and recorded on the blockchain as a unique digital asset. The NFT now has

[21] Angelo and Dananjaya, "Protection of Non-Fungible Token Art: Innovation of Creative Works from a Copyright Perspective."

an immutable token identity, complete with proof of ownership and transaction history. The video NFT will be stored in the creator's crypto wallet, and can be transferred, traded, or displayed in a digital gallery. This transformation makes video a new form of digital creative work that has its own legal status and economic value. As a result of this process, NFT videos have become not only a new distribution medium, but also a form of copyright protection through transparent and permanent blockchain technology.[22]

4. Conclusion

The transformation from video to NFT is a legal process that is recognized and protected in the Indonesian legal system, as regulated in the Copyright Law No. 28 of 2014 (UUHC). This law provides protection for various forms of creations that experience changes in form, format, or medium, which in legal terms is known as transformation. Based on the provisions in Article 40 paragraph (1) letter n of the UUHC, it is explained that one type of creation that is protected is the result of transformation, adaptation, or modification of the original work. The explanation of this article includes changes in format from one form to another, such as from pop music to dangdut music, which shows that changes in the format of a work are also recognized as legally protected creations. In this context, videos that are converted into NFT form—which were previously just ordinary audiovisual files into unique digital tokens based on blockchain technology—clearly meet the definition of transformation as referred to in the article. NFT videos, therefore, are entitled to legal protection as a form of creative work resulting from transformation. This protection includes the creator's exclusive rights to use, distribute, reproduce, and commercialize the video in a new format. This protection is becoming increasingly relevant and crucial in today's digital era, where forms of creative work are developing rapidly along with technological advances. Digital technology allows creators to not only create, but also store, distribute, and monetize their work in forms that were previously impossible, one of which is through NFT.

[22] Bagus Gede Ari Rama, Dewa Krisna Prasada, and Kadek Julia Mahadewi, "The Urgency of Artificial Intelligence (AI) Regulation in the Field of Copyright Law in Indonesia," Jurnal Rechtens 12, no. 2 (2023): 209–24, https://doi.org/10.56013/rechtens.v12i2.2395.

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