Fostering a European approach to Artificial Intelligence

On the 21st April 2021, Vice-President Margrethe Vestager and Commissioner Thierry Breton held a press conference on fostering a European approach to Artificial Intelligence.

Their discussion started with a read-out of the College meeting by Margrethe Vestager. Ms Vestager emphasized that the Proposal for a Regulation on a European approach for Artificial Intelligence is the first-ever legal framework presented by the EU regarding AI.

The proposal is part of a larger AI package which includes a new coordinated plan with EU Member States and also a new proposal for regulating machinery products. All three released documents represent the **package for the European Approach to AI**.

Previous AI initiatives of the EU

- Launch of the European AI strategy and the European Alliance of Stakeholders (2018)
- European Commission appoints a High-level expert group on artificial intelligence (AI HLEG)
- European Commission published the White Paper on Artificial Intelligence - A European approach to excellence and trust. A publication that triggered a public consultation receiving more than 1200 inputs.

Today, Europe aims to accelerate the uptake of secure, trustworthy and human-centric AI. This can only be done by acknowledging the **human and societal risks** associated with different AI uses. Similarly, it is necessary for the Member States to guarantee excellence when boosting investment and innovation.

The positive AI uses we want in Europe:

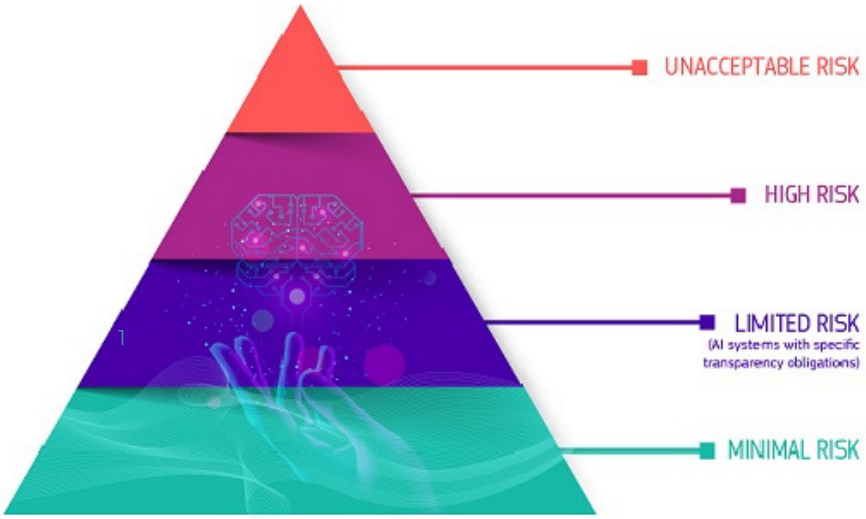
- Potential to save lives (ex: relying on more accurate diagnosis)
- Enhance agricultural processes (ex: help farmers optimize their resources)
- Disaster resilience (helps engineers reconstruct the Notre Dame Cathedral)

To continue maximizing the benefits we need to build trust in AI systems and ensure that associated risks can be mitigated.

The EU`s framework does not look at AI technology itself, rather it analyses what it is used for and how.

Golden Rule: The higher the risk a specific AI system can cause to our lives, the stricter the rules.

AI applications are divided in four categories:



1. **Minimal Risk** which allows free use of AI. (ex: spam recognizing systems, systems minimizing the use of waste in factories)
2. **Limited Risk** where transparency obligations are in place and the users must be fully informed that they are interacting with machines (ex: Chatbots in stores or train stations)
3. **High Risk** (main focus of the Regulation) are systems that interfere with important life aspects (ex: candidate filtering for job/ college applications or self-driving cars). These systems must respect **5 obligations:**

1. AI providers are required to feed the system with high-quality data
2. AI providers must publish detailed documentation to assess compliance
3. AI providers must provide substantial info for users to help them understand and use the application
4. AI provider must ensure a proper level of human oversight in the design and implementation of AI
5. AI providers must respect the highest standards of cybersecurity and accuracy

Prohibited AI practices

- AI systems that use a subliminal technique to cause physical and psychological harm to someone. (ex: toys that use AI to manipulate children to do something dangerous)

- AI used for social scoring or ranking people based on social behaviour (ex. when they violate traffic rules or skip paying rent)

National authorities are responsible for assessing if the AI systems meet the obligations. They are also responsible for identifying the appropriate authorities. For example:

- Obligation regarding Privacy will be assessed by national data protection authorities
- Obligations regarding Removing prohibited AI products will be assessed by market surveillance authorities

Sanctions will apply if there is a persistence of non-compliance. AI providers can be fined up to 6% of its yearly global turnover

Exceptional Case: Biometric Identification (will face stricter regulations)

- at the edge of high-risk application and prohibited AI practices
- Advantages already in use: border control, fingerprint signing
- Disadvantages: problematic when **Remote Biometric Identification is used**

Europe is **against mass surveillance**. The possibility of law enforcement authorities using RBI in public spaces is prohibited in principle. Exceptional uses are defined and regulate (ex: when RBI is used to track a missing child)

The Regulations also identify High impact sectors which should accelerate the development of critical AI:

- Green economy
- Agriculture
- Food security

Time matters. EU lost the race during the first AI wave but it can lead the next wave by using **the largest database of Industrial Data in the World**. The key is to engage the sectors EU is already leading in manufacturing, clean energy and healthcare

No matter how fast (or perhaps slow) AI develops, it is assured that it stays true to our values

Q&A

Q: Since there is a very long list of criminal offences with regard to Biometric Identification, would is not be easier to just prohibit it entirely with no exceptions?
A: The number of criminal offences is 32. These offences may not pose an immediate threat to humans but will be punished with 3 years or more of prison

Q: There is a worry of overregulation killing innovation
A: Our main worry is actually actors refraining from using AI because it is not safe or regulated enough. For example, municipalities might not take the risk of using AI for their social workers because they fear of getting in trouble. With these regulations, people can fuel the creation and uptake of AI because they know exactly how to do it and won`t get in trouble for it. For example, hospitals will know that they can use AI because risks will be mitigated at the regulatory level.

The risk-based approach of the new regulation is the first in the world to provide guidelines. Therefore, if you want to use AI, you will go to Europe because you will know how to do it. Moreover, Europe has the largest amount of industrial data in the world (and for the next 10 years)

Q: Please provide details about Sanctions and Penalties
A: Sanctions follow the usual line of thinking. We give the option for the product to be taken of the market and if it persists then it will be sanctioned.

Q: Regarding RBI, law enforcement agencies will benefit from using street cameras to check on the bad guys. How will non-suspect people on the street be protected from the technology?
A: RBI will not be used on a regular basis. If a member state wants to introduce biometric street cameras it must first pass its own legislation, assign an independent body for oversight and then use the technology.

Q: Do you expect strong resistance from the players of high-impact sectors?
A: We had broad consultations and more than 1000 contributions but we will constantly review more

Europe fit for the Digital Age: Commission proposes new rules and actions for excellence and trust in Artificial Intelligence | Internal Market, Industry, Entrepreneurship and SMEs (europa.eu)

Interesting articles:

7 questions to ask when looking at the EU's new AI regulation tomorrow (linkedin.com)
Morning Tech: AI reveal day — DSA picking up speed — Scraping Facebook - POLITICO Pro

Europe eyes strict rules for artificial intelligence – POLITICO

Europe seeks to limit use of AI in society - BBC News

EU Set to Ban Surveillance, Start Fines Under New AI Rules - Bloomberg

This briefing has been compiled by the Global Arena Research Institute on the 21st of April by Teodora Stirbat