## European Union

# Artifical Intelligence Act

#### 2 minutes overview

#### A quick summary of the EU AI Act

- Key points of the legislation
- Implementation timelines
- Potential impact on companies and individuals

#### TABLE OF CONTENTS

- 1. Introduction to EU AI Act
- 2. Risk-Based Approach
- 3. High-Risk Al Systems
- 4. General Purpose Al Systems
- 5. Governance and Enforcement
- 6. Support for Innovation and SMEs
- 7. Implementation Timeline
- 8. Key Takeaways

#### INTRODUCTION TO EU AI ACT

## World's first comprehensive Al law

Aims to address risks and promote innovation

#### Key objectives [Article 1]

- Protect fundamental rights and safety
- Enhance trust in Al
- Harmonize rules across EU
- Balance between risk mitigation and fostering innovation

#### Scope [Article 2]

- Applies to AI providers and users in EU
- Includes non-EU entities when output used in EU

#### RISK BASED APPROACH [CHAPTER II, III, IV]

Unaccept able Risk High Risk Limited Risk

Minimal or No Risk

- Al systems that pose a clear threat to safety, human rights etc. and are prohibited from use
- Examples: Social scoring systems
- [Article 5(1)(c)]
- Al systems that impact safety or fundamental rights
- Commonly found in critical infrastructure and employment
- Examples: Al in hiring tools, medical diagnosis
- [Annex III]
- Al systems requiring minimal transparency
- Examples: Chatbots like ChatGBT
- [Article 50]
- Common Al applications, requiring no regulatory oversight
- Includes the vast majority of AI applications
- Examples: Spam filters, AI in video games

#### HIGH-RISK AI SYSTEMS

Key requirements for providers of High-Risk Al systems

- Risk assessment and mitigation [Article 9]
- Data governance and documentation [Article 10]
- Human oversight [Article 14]
- Accuracy, robustness, and cybersecurity [Article 15]

Obligations for deployers of High-Risk Al systems

- Use according to instructions
- Monitor operation and report incidents
- Conduct data protection impact assessments
- For more details, refer to [Article 26]

#### GENERAL PURPOSE AI SYSTEMS

Obligations for GPAI providers

[Article 53]

- Prepare technical documentation
- Provide compliance information to downstream providers
- Establish copyright policy
- Publish training content summary
- Have transparency and risk management methods in place

Al Office oversight
[Article 88]

- Monitors GPAI compliance
- Conducts evaluations and investigations
- Can impose corrective measures or fines

#### **GOVERNANCE AND ENFORCEMENT**



## Multi-level governance structure

#### **European level**

- Al Office [Article 64]
- Al Board [Article 65]
- Advisory Forum [Article 67]

#### **National level**

Market Surveillance Authorities [Article 70]



### **Enforcement** mechanisms

- Significant fines for noncompliance [Article 99]
- Powers to access data and conduct audits [Article 74]
- Whistleblower protections [Article 87]



#### **Tiered fine structure**

- Highest fines applied to violations of prohibited Al practices
- Lower fines for other noncompliance issues
- For more details, refer to [Article 99]

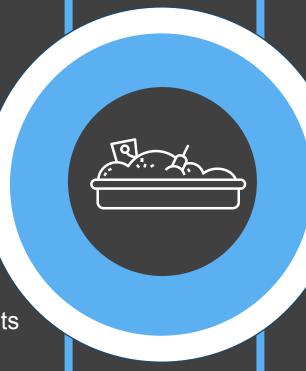
#### SUPPORT FOR INNOVATION

#### Al regulatory sandboxes

- Controlled testing environments
- Priority access for SMEs and startups
- [Article 57]

#### Real world testing

- Limited scale testing of high-risk Al
- Subject to safeguards and time limits
- [Article 60]



#### Codes of conduct

- Voluntary guidelines for non-high-risk Al
- Address issues like sustainability and accessibility
- [Article 95]

#### IMPLEMENTATION TIMELINE

1 AUG 2024 2 AUG 2026 2 AUG 2027 2 AUG 2030 Majority of Providers of Entry into Providers of force, none of prohibitions general purpose high-risk Al Al models must systems must be the apply (exceptions for compliant requirements be compliant high risk Al apply systems)

**Gradual** implementation

Allows time for adaption and preparation

Different deadlines for various aspects of the Act

Full timeline for the EU AI Act

#### KEY TAKEAWAYS

03 04 05 02 Comprehensive Risk-based **Emphasis on Support for Ongoing** approach to Al framework innovation transparency & process regulation accountability Balances Tailored Right to Sandboxes, Gradual innovation with requirements explanation, real-world implementation, based on Al risk mitigation public database testing, SME periodic reviews considerations system impact for high-risk Al [Article 1] [Articles 5,6,50] [Articles 13,71] [Articles 57, 60, 95] [Article 112]

#### **FURTHER READING**

#### Data Governance for AI/ML activities

 Impact on Data Governance in AI/ML activities due to the GDPR Act and the EU AI Act - <u>Learn More</u>

#### **Practical Guide to EU AI Act**

• Learn More

#### **How AI Act builds on GDPR**

• Learn More

#### **ABOUT THE AUTHOR**

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I have created educational materials on the EU AI Act.

Check out my other work here:

Portfolio Website
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