

Brussels, 10 June 2020

## **White Paper on Artificial Intelligence CECIMO supporting document to the Consultation**

On 19 February 2020, the European Commission released its long-awaited White Paper on Artificial Intelligence (AI), intended to outline, and consolidate a European approach to AI that both promotes a favourable ecosystem for European technology industry stakeholders and protects users.

CECIMO, on behalf of the machine tool industry and related manufacturing technologies, is committed to raise awareness concerning the implementation of AI in the machine tool sector. Manufacturing is one of the industries that employs Artificial Intelligence and Machine Learning technologies to its fullest potential. Such as in the case of the machine tool industry, which applies AI following a human centric approach to increase efficiency and innovation in advanced manufacturing processes.

CECIMO, therefore, welcomes and supports the European Commission's ambitious programme to promote the uptake of AI. This is an area of strategic importance, central to supporting economic growth, technological development, and social well-being.

In order to achieve the announced policy objectives and enable the development of industrial AI, we wish to bring forward the following considerations:

- ▶▶ The development of AI capabilities in Europe requires a clear and flexible business as well as investment framework, that fosters innovation and the development of new products and services. CECIMO stands for specific rules as for the adoption of AI tools and applications in European manufacturing, ensuring that these new means comply with the European Single Market principles and with free and fair-trade conditions to avoid the creation of market barriers and market fragmentation.  
A clear and predictable legal and regulatory framework is of paramount importance to ensure a high-level playing field for European businesses in an increasingly digitalised market.
- ▶▶ Considering that Europe lags behind China and the United States in terms of AI investment, a comprehensive European investment plan should be laid out focusing on the development of machine learning and AI applications, particularly in areas in which European companies are global leaders. Furthermore, this investment plan should boost the adaption of AI and digital tools in manufacturing, as they can provide significant advantages to businesses.

- ▶▶ Policymakers should ensure both the accessibility to knowledge, especially for Small and Medium-sized Enterprises (SMEs), and the deployment of AI across various industries. The development of relevant applications in the machine tool and manufacturing technologies sector is still too limited. Some machinery industry companies have started to explore the possibilities of employing applications in specific areas such as process optimisation, predictive maintenance, or condition monitoring, but these were still at an early development stage. Therefore, it is important to set up coherent and flexible policies that enable and foster progress in research and that guarantee innovation in industrial AI.
- ▶▶ The White paper outlines horizontal and non-specific risks to AI development. Given that these could become potential burdens in the future implementation of AI solutions, it is imperative establishing a risk analysis space. Furthermore, it is essential to have a clear classification system, so that companies have the possibility to easily and thoroughly evaluate if their AI systems or applications fall under the high-risk category.
- ▶▶ Introducing additional requirements for Artificial Intelligence could bring hurdles, especially for SMEs. The European Commission must therefore secure the essential cooperation of national authorities to avoid the fragmentation of the market and to examine the technical aspects of this new project together with stakeholders that are directly involved in the development of AI and digital solutions such as associations and companies.
- ▶▶ The current safety and liability legal frameworks are able to address appropriately any potential future situation arising from the increased utilisation of AI and therefore no modifications are at present required. For example, the Product Liability Directive is fit for purpose as it contains technology-neutral provisions and thus it will continue to fulfil its objective.