

## POSITION PAPER

**Date: 10 September 2020**

**Subject: Euralarm feedback on EC Roadmap “Artificial Intelligence – ethical and legal requirements” (draft)**

Euralarm welcomes the inception impact assessment on Proposal for a legal act of the European Parliament and the Council laying down requirements for Artificial Intelligence. Euralarm shares the view that artificial intelligence (AI) can drive economic growth and improve the security and safety for the benefit of the citizens, the economic actors and the Member States by enabling new products, services and solutions.

For AI-enabled products, Euralarm is in favour of Option 1 of the alternative options to the baseline scenario: “soft law” (non-legislative) approach to facilitate and spur industry-led intervention (no EU legislative instrument). Embedded AI-based applications are considered products both by the EU (1) product safety legislation (before the placing on the market) and in the (2) Product Liability Directive (PLD - after the placing on the market). While the first set of rules imposes essential safety requirements for products to be assessed and thus distributed onto the market, the latter aims at compensating victims for the harm suffered from the use of defective good. Hence Euralarm doesn’t see any need for additional legislation addressed to AI-enabled products. Nevertheless, this “soft law” should be accompanied by provisions ensuring that no national rules would impair the free circulation of these products.

For AI-enabled services, Euralarm is in favour of Option 3.b: EU legislative instrument establishing mandatory requirements for “high risk” applications. The qualification of “high risk” should not be a consequence of an intended use or sector but should be based on a risk analysis. In order to ensure liability, the risk analysis should be guided by a list of clearly identified risks. However, this requires more detailed analysis and discussions with the industry, especially when it comes to the different levels of risks generated by AI applications. In Euralarm’s view, the quality of any future regulation will depend on the possibility to identify a common, transparent and easily applicable definition of “AI” and understanding of “high-risk”. High-risk situations should be defined in cooperation with industry, based on risk-benefit considerations and adjusted when needed.

Euralarm believes that the rollout of AI must not come with the new regulation as per se. The new regulation must be used only where it is necessary (e.g. addressing clear and proven risks) and where it delivers clear benefits (e.g. helps to uptake the new technologies by creating a level playing field, ensures safety etc.). General scrutinising of AI-technologies which hampers innovation and creates uncertainty must be avoided. Clear criteria must be established for identifying critical areas in a way that is legally certain.

Europe’s security and safety industries represent companies that innovate at the crossroads of digital and physical technology. AI offers opportunities to European industries not only for further grow at global level but also to build a safer and more secure Europe, provided that the right choices are made, particularly at EU level, to support its development and deployment.