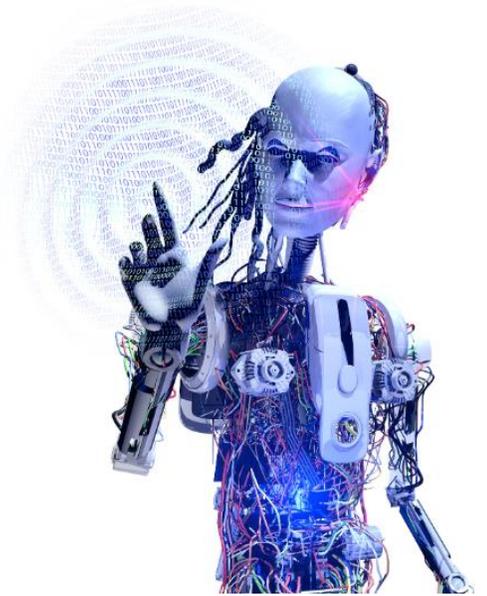


# Global (regulatory) challenges of AI



## Jean-Louis Schiltz

Avocat à la Cour, Senior Partner at Schiltz & Schiltz S.A.

Professor (hon.) at the University of Luxembourg

Former Cabinet minister

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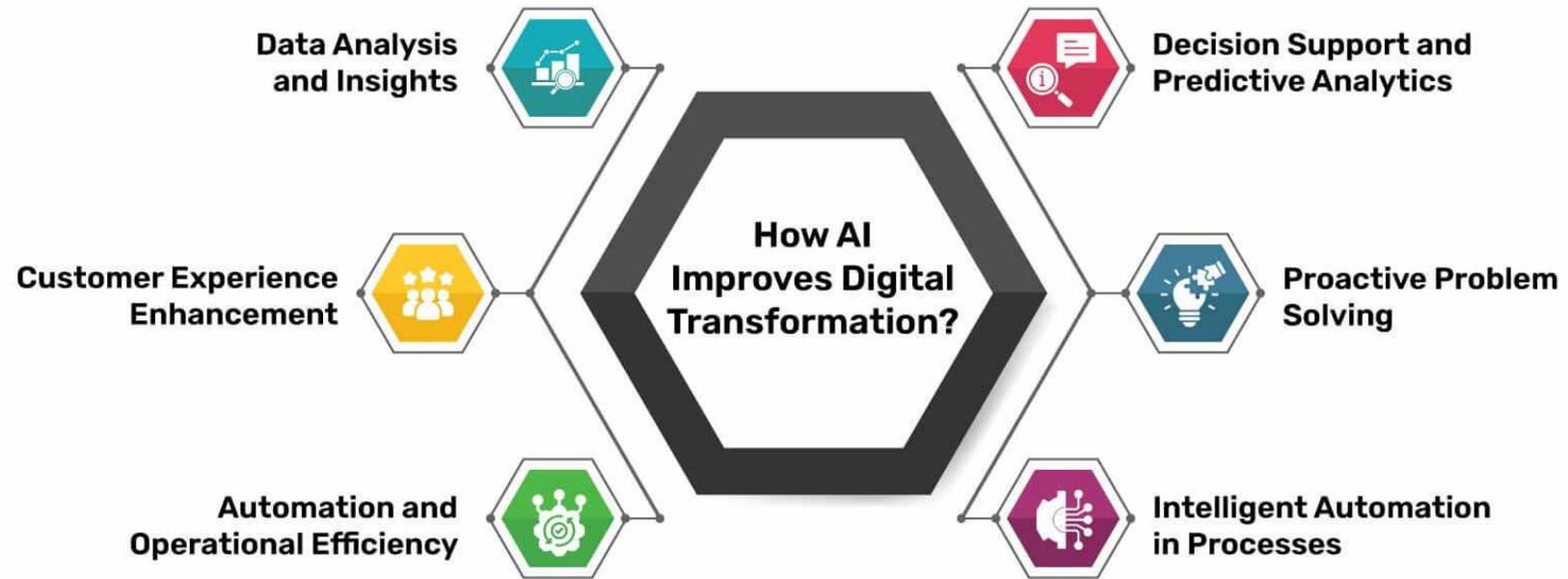
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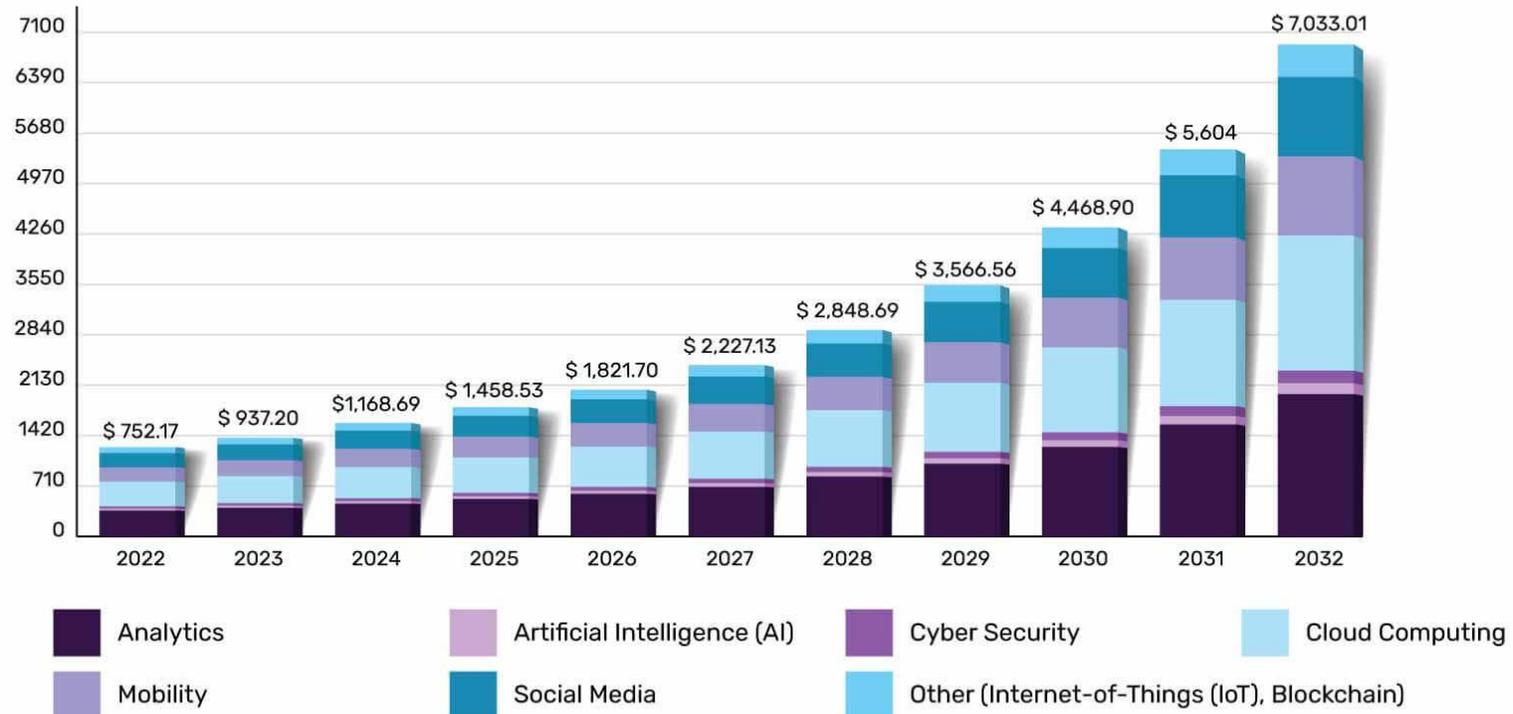
# AI is everything – everything is AI



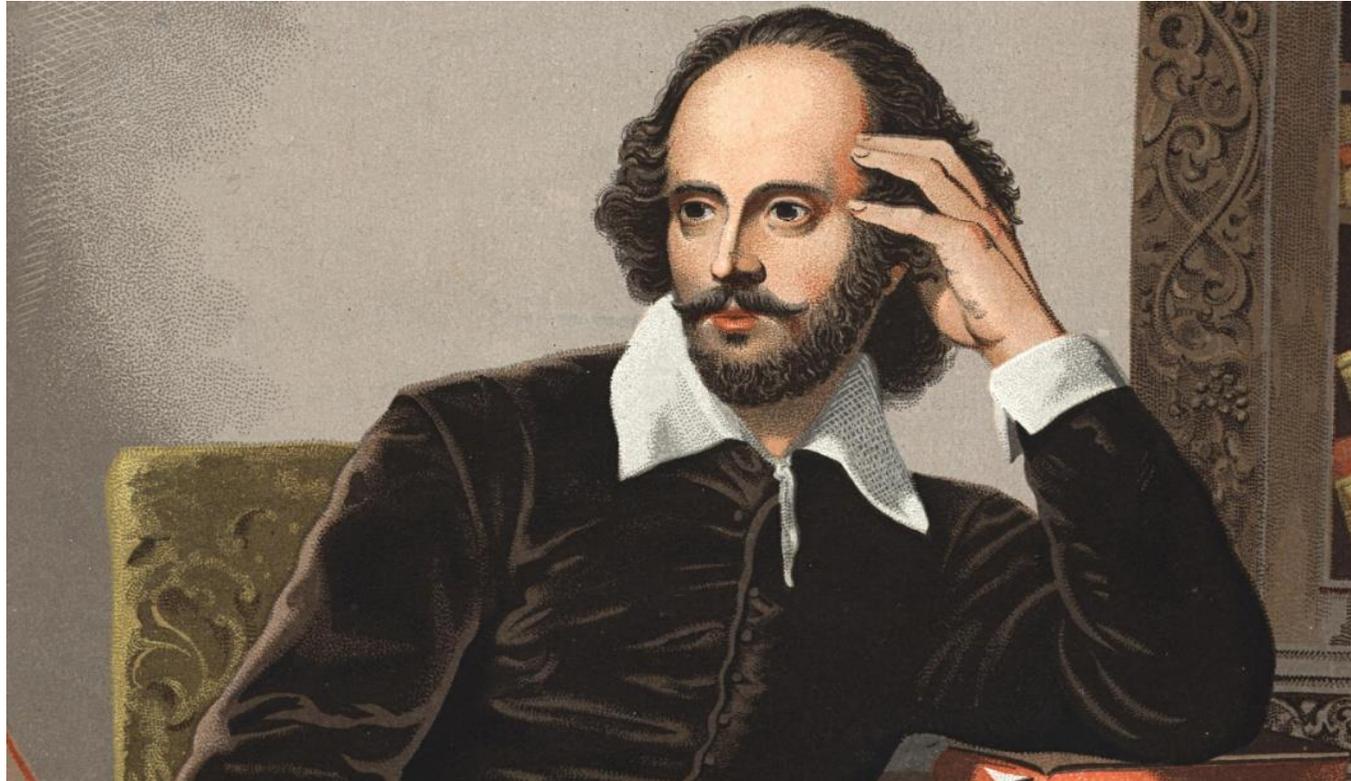
And, of course a billion dollar market



## Global Digital Transformation Market Size in USD Billion (2022-2032)



# I. How to regulate ?



**William Shakespeare**

Photograph: Leemage/Getty Images/Universal Images Group

**To regulate or not to regulate?**

# I. How to regulate?

## A. The example of the EU - AI Act

1. Chapters of the AI Act
2. The main axes of the AI Act
3. Background on the AI Act
4. The European Commission's point of view

### To Regulate or Not? How should Governments React to the AI Revolution?

Technology companies become extremely powerful. At the same time, sophisticated and potentially risky technologies become generally available. Do we need to regulate Artificial Intelligence and how would that be possible? Do we need a framework for Ethical AI and how would that work? How can we make AI models transparent and explainable?



George Krasadakis · Follow

60

Published in 60 Leaders · 32 min read · Oct 20, 2023

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TECH & FUTURE OF WEB

### AI regulation – smart move or real challenge?

Artificial Intelligence Cyber Security Compliance & Privacy Philosophy & Ethics

By Ingo Willems / 18.10.2021

Does the development and use of artificial intelligence need a legal framework? Katharina Rieke from the BVDW thinks so. In this interview, she discusses new guidelines and why companies especially should have AI regulation on their radar.



ELSEVIER

### Government Information Quarterly

Volume 39, Issue 4, October 2022, 101748

### Regulating artificial intelligence: Proposal for a global solution

Olivia J. Erdélyi<sup>a b</sup> , Judy Goldsmith<sup>c</sup>

# I. How to regulate ?

## 1. Chapters of the AI Act

**Chapter I: General Provisions**

**Chapter II: Prohibited AI Practices**

**Chapter III: High-Risk AI System**

**Chapter IV: Transparency Obligations for Providers and Deployers of Certain AI Systems**

**Chapter V: General-Purpose AI Models**

**Chapter VI: Measures in Support of Innovation**

**Chapter VII: Governance**

**Chapter VIII: EU Database for High-Risk AI Systems**

**Chapter IX: Post-Market Monitoring, Information Sharing and Market Surveillance**

**Chapter X: Codes of Conduct and Guidelines**

**Chapter XI: Delegation of Power and Committee Procedure**

**Chapter XII: Penalties**

**Chapter XIII: Final Provisions**

REGULATION (EU) 2024/1689 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 13 June 2024

laying down harmonised rules on artificial intelligence and amending Regulations (EC) No 300/2008, (EU) No 167/2013, (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1139 and (EU) 2019/2144 and Directives 2014/90/EU, (EU) 2016/797 and (EU) 2020/1828 (Artificial Intelligence Act)

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 16 and 114 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee<sup>(1)</sup>,

Having regard to the opinion of the European Central Bank<sup>(2)</sup>,

Having regard to the opinion of the Committee of the Regions<sup>(3)</sup>,

Acting in accordance with the ordinary legislative procedure<sup>(4)</sup>,

Whereas:

- (1) The purpose of this Regulation is to improve the functioning of the internal market by laying down a uniform legal framework in particular for the development, the placing on the market, the putting into service and the use of artificial intelligence systems (AI systems) in the Union, in accordance with Union values, to promote the uptake of human centric and trustworthy artificial intelligence (AI) while ensuring a high level of protection of health, safety, fundamental rights as enshrined in the Charter of Fundamental Rights of the European Union (the 'Charter'), including democracy, the rule of law and environmental protection, to protect against the harmful effects of AI systems in the Union, and to support innovation. This Regulation ensures the free movement, cross-border, of AI-based goods and services, thus preventing Member States from imposing restrictions on the development, marketing and use of AI systems, unless explicitly authorised by this Regulation.
- (2) This Regulation should be applied in accordance with the values of the Union enshrined as in the Charter, facilitating the protection of natural persons, undertakings, democracy, the rule of law and environmental protection, while boosting innovation and employment and making the Union a leader in the uptake of trustworthy AI.
- (3) AI systems can be easily deployed in a large variety of sectors of the economy and many parts of society, including across borders, and can easily circulate throughout the Union. Certain Member States have already explored the adoption of national rules to ensure that AI is trustworthy and safe and is developed and used in accordance with fundamental rights obligations. Diverging national rules may lead to the fragmentation of the internal market and may decrease legal certainty for operators that develop, import or use AI systems. A consistent and high level of protection throughout the Union should therefore be ensured in order to achieve trustworthy AI, while divergences hampering the free circulation, innovation, deployment and the uptake of AI systems and related products and services within the internal market should be prevented by laying down uniform obligations for operators and

<sup>(1)</sup> OJ C 517, 22.12.2021, p. 56.

<sup>(2)</sup> OJ C 115, 11.3.2022, p. 5.

<sup>(3)</sup> OJ C 97, 28.2.2022, p. 60.

<sup>(4)</sup> Position of the European Parliament of 13 March 2024 (not yet published in the Official Journal) and decision of the Council of 21 May 2024.

# I. How to regulate ?

## 2. The main axes of the AI Act (1)

### 1. Classification of AI systems

The AI Act classifies **AI systems** according to their **level of risk**.

- Unacceptable risk systems: Certain uses of AI, such as **real-time biometric surveillance in public spaces**, will be prohibited.
- High-risk systems, such as those used in **healthcare, transport** or the **administration of justice**, are subject to strict requirements (Article 6§2 appendice III)
- Limited risk and minimal risk (article 51)

## EU Artificial Intelligence Act



COMPLIANCE CHECKS & PRACTICAL ADVICE  
THROUGHOUT THE WHOLE LIFECYCLE

mass surveillance  
manipulation of behaviour causing harm  
social scoring

access to employment  
education and public services  
safety components of vehicles  
law enforcement

impersonation  
chatbots  
emotion recognition  
biometric categorization  
deep fakes

video games  
spam filters





# I. How to regulate ?

## 2. The main axes of the AI Act (2)

### 2. Transparency and user rights information:

- **Users** must be **informed** when interacting with AI systems that affect their rights
- **Right to challenge AI decisions** and request explanations

### 3. Governance and supervision :

- Creation of **national regulatory authorities** for enforcement
- **Cooperation mechanisms** between member States for uniform rule application

### 4. Obligations for AI providers, compliance and risk assessment:

- High-risk AI systems must undergo **risk assessments** for compliance
- Maintain **documentation** for traceability and accountability

### 5. Promoting innovation:

- Regulatory measures **support innovation** for small and medium-sized enterprises (**SMEs**).
- Creation of test environments (**sandboxes**) for secure AI experimentation before market deployment.

### 6. Protection of fundamental rights:

- The AI Act ensures **ethical development** and use of AI, safeguarding rights like **privacy** and **non-discrimination**.



Generated with AI

# I. How to regulate ?

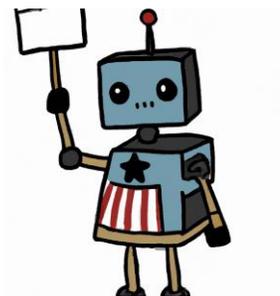
## 3. Background on the AI Act

### ➤ Key dates

- **21 April 2021:** Commission proposal (AI Act);
- **6 December 2022:** Council General Approach;
- **14 June 2023:** European Parliament confirmed its position;
- **April 2023:** The European Parliament's Plenary voted on its position regarding the AI Act, adopting a version that included a significant number of amendments to address concerns regarding risks associated with AI and the need for regulatory clarity.

### ➤ Interinstitutional negotiations:

- **June to October 2023:** four political trilogues;
- **6 - 8 December 2023:** 5th and final trilogue => provisional political agreement;
- **2 February 2024:** unanimous vote by EU Member States;
- **April 2024:** AI Act voted by the European Parliament;
- **12 July 2024:** Published in the Official Journal of the European Union



## I. How to regulate ?

### 3. Background on the AI Act amendments (1)

#### ➤ Roadmap to AI compliance: key dates and regulatory phases

- **1 August 2024** : Entry into force

#### However, its application is progressive:

- **2 February 2025** : Obligations applicable to prohibited AI systems and the obligations related to AI literacy will become applicable;
- **2 August 2025** : Specific obligations applicable to general-purpose AI models will become applicable;
- **2 August 2026** : Most obligations under the AI Act, including the rules applicable to high-risk AI systems under Appendice III and systems subject to specific transparency requirements will become applicable;
- **2 August 2027**: Obligations related to high-risk systems included in Annex I of the AI Act will become applicable.



## I. How to regulate ?

### 3. Background on the AI Act amendments (2)

#### ➤ Initial proposal:

- The European Commission proposed the AI Act in April 2021 to create a regulatory framework for AI.

#### ➤ Amendments process:

- The AI Act has undergone extensive review with **771 amendments** proposed by members of the European Parliament;
- Key discussions occurred in committees like the internal market committee and the civil liberties committee.



## I. How to regulate ?

### 3. Background on the AI Act amendments (3)

#### Key areas of focus for amendments:

##### ➤ Risk classification:

- Clarifying definitions of high-risk AI systems in critical sectors like healthcare and law enforcement.

##### ➤ Transparency and accountability:

- Enhancing provisions for user understanding of AI operations and data usage.

##### ➤ Human oversight:

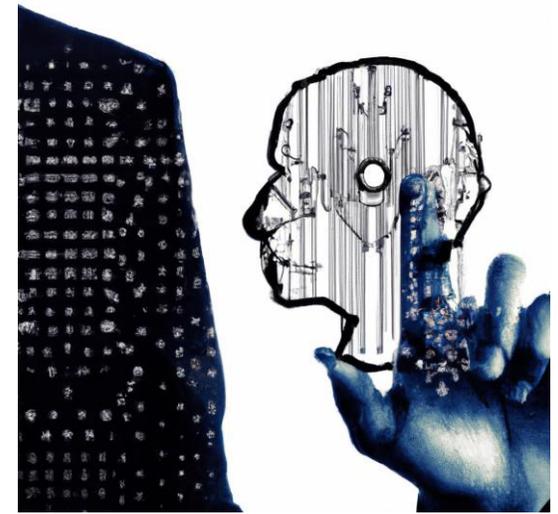
- Stressing the need for human oversight in high-risk AI applications to ensure accountability.

##### ➤ Prohibition of certain uses:

- Implementing stricter rules against applications like biometric surveillance to protect rights.

##### ➤ Innovation and support for SMEs:

- Supporting small and medium-sized enterprises (SMEs) to ensure regulations don't hinder innovation.



## I. How to regulate ?

### 4. The European Commission's point of view (1)

Key points regarding the European Commission's views on the **AI Act** and the regulation of AI:

➤ Pioneering legislation:

- First comprehensive AI legal framework globally, serving as a model for others.

➤ Alignment with european values:

- Ensures AI development adheres to ethical standards and fundamental rights.

➤ Risk-based approach:

- AI systems categorized by risk level, with strict regulations for high-risk systems and bans on those with unacceptable risks, like manipulative or invasive technologies.



## I. How to regulate ?

### 4. The European Commission's point of view (2)

#### ➤ Emphasis on safety and rights:

- Prioritizes citizen safety and rights to prevent harm to individuals and society.

#### ➤ Transparency and accountability:

- Mandates transparency for AI systems, ensuring users know when they interact with AI technologies.

#### ➤ Support for innovation:

- Creates a stable environment for businesses to innovate while adhering to ethical standards.

#### ➤ Global leadership:

- Positions the EU as a leader in establishing international AI norms through platforms like the G7 and OECD.



## I. How to regulate ?

### 4. The European Commission's point of view (3)

9 December 2023

- The European Commission welcomes the political agreement reached on AI Act
- Statement by President von der Leyen on the political agreement on the EU AI Act:
  - *The AI Act transposes European values to a new era.*
  - *This agreement focuses regulation on identifiable risks, provides legal certainty and opens the way for innovation in trustworthy AI.*



#### **Commission welcomes political agreement on Artificial Intelligence Act\***

Brussels, 9 December 2023

The Commission welcomes the political agreement reached between the European Parliament and the Council on the Artificial Intelligence Act (AI Act), [proposed by the Commission](#) in April 2021.

Ursula **von der Leyen**, President of the European Commission, said: "Artificial intelligence is already changing our everyday lives. And this is just the beginning. Used wisely and widely, AI promises huge benefits to our economy and society. Therefore, I very much welcome today's political agreement by the European Parliament and the Council on the Artificial Intelligence Act. The EU's AI Act is the first-ever comprehensive legal framework on Artificial Intelligence worldwide. So, this is a historic moment. The AI Act transposes European values to a new era. By focusing regulation on identifiable risks, today's agreement will foster responsible innovation in Europe. By guaranteeing the safety and fundamental rights of people and businesses, it will support the development, deployment and take-up of trustworthy AI in the EU. Our AI Act will make a substantial contribution to the development of global rules and principles for human-centric AI."





## I. How to regulate ?

### 4. The European Commission's point of view : what's next?



EU Digital & Tech

33 845 abonnés

1 mois • 🌐



Industry, academia, and civil society: more than 400 submissions in response to the consultation on the upcoming Code of Practice for general-purpose artificial intelligence, part of the AI Act.

These contributions will guide the finalisation of the Code by April 2025, focusing on key areas, such as:

- Transparency
- Copyright-related rules
- Risk assessment & mitigation
- Internal governance

The input will also help the AI Office, which will oversee the implementation of AI Act rules on GPAI and develop guidelines for summarising training data in GPAI models. (penso che possiamo dire così?)

Find out more about the consultation and the EU's approach to #AI:  
<https://europa.eu/dVMJ8H>

#AIAct #ArtificialIntelligence #AlinEurope

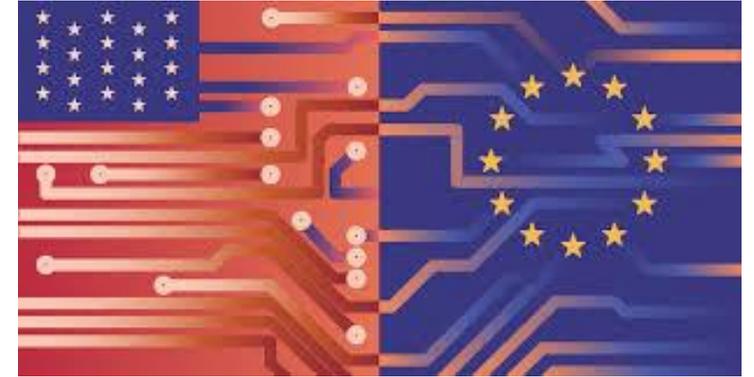


## I. How to regulate ?

### B. « The U.S. innovates, the EU regulates » : is that so? (1)

#### ➤ Innovation vs. Regulation

- Where are the rising stars of AI based?
- The EU focuses on the regulatory framework.



## I. How to regulate ?

### B. « The U.S. innovates, the EU regulates » : is that so? (2)



As of now, the U.S. does not have a comprehensive federal framework for regulating AI, but there are significant steps being taken toward AI governance:

#### ➤ Executive orders (E.O.):

In October 2023, President Biden issued an executive order on safe, secure, and trustworthy AI to enhance AI safety, directing agencies to manage AI risks and develop public safety evaluation capacity. Agencies reported that they have completed all of the 90-day actions tasked by the E.O. and advanced other vital directives that the Order tasked over a longer timeframe

#### ➤ AI safety institute:

The order established the U.S. AI Safety Institute with the objective to promote voluntary AI standards and create testbeds for safe innovation.

#### ➤ Legislative efforts:

Key U.S. legislation on AI Safety and Reliability, approved by a Senate committee and favorably reported to the full Senate includes:

- The future of AI innovation Act for AI reliability
- The validation and evaluation for trustworthy AI Act for third-party assessments

#### ➤ State regulations:

States like California are developing their own AI regulations, focusing on transparency and penalties for harmful AI use

## I. How to regulate ?

### B. « The U.S. innovates, the EU regulates » : is that so ? (3)

- In 2024, 693 AI-related bills have been proposed in the U.S., a significant increase from fewer than 200 in 2023.
- There is currently no cohesive federal regulatory model, leading to varied state approaches to AI legislation.
- California's SB 1047 raises concerns from various stakeholders, particularly within the technology and AI industries about its complexity and potential overreach.

#### **The AI Wave Is Building**

In 2024, 45 states considered nearly 700 pieces of AI-related legislation. Four additional state legislatures – Montana, Nevada, North Dakota, and Texas – were not in session this year and are expected to consider AI legislation when lawmakers return in 2025.

AI Legislation by the Numbers:

- **2023 Total:** 191 pieces of legislation
- **2024 Total:** 693 pieces of legislation
  - 113 bills enacted
  - 77 additional bills advanced through one chamber



Artificial Intelligence

#### **2024 State Summary on AI**

By Heather Curry

October 22, 2024



# I. How to regulate today?

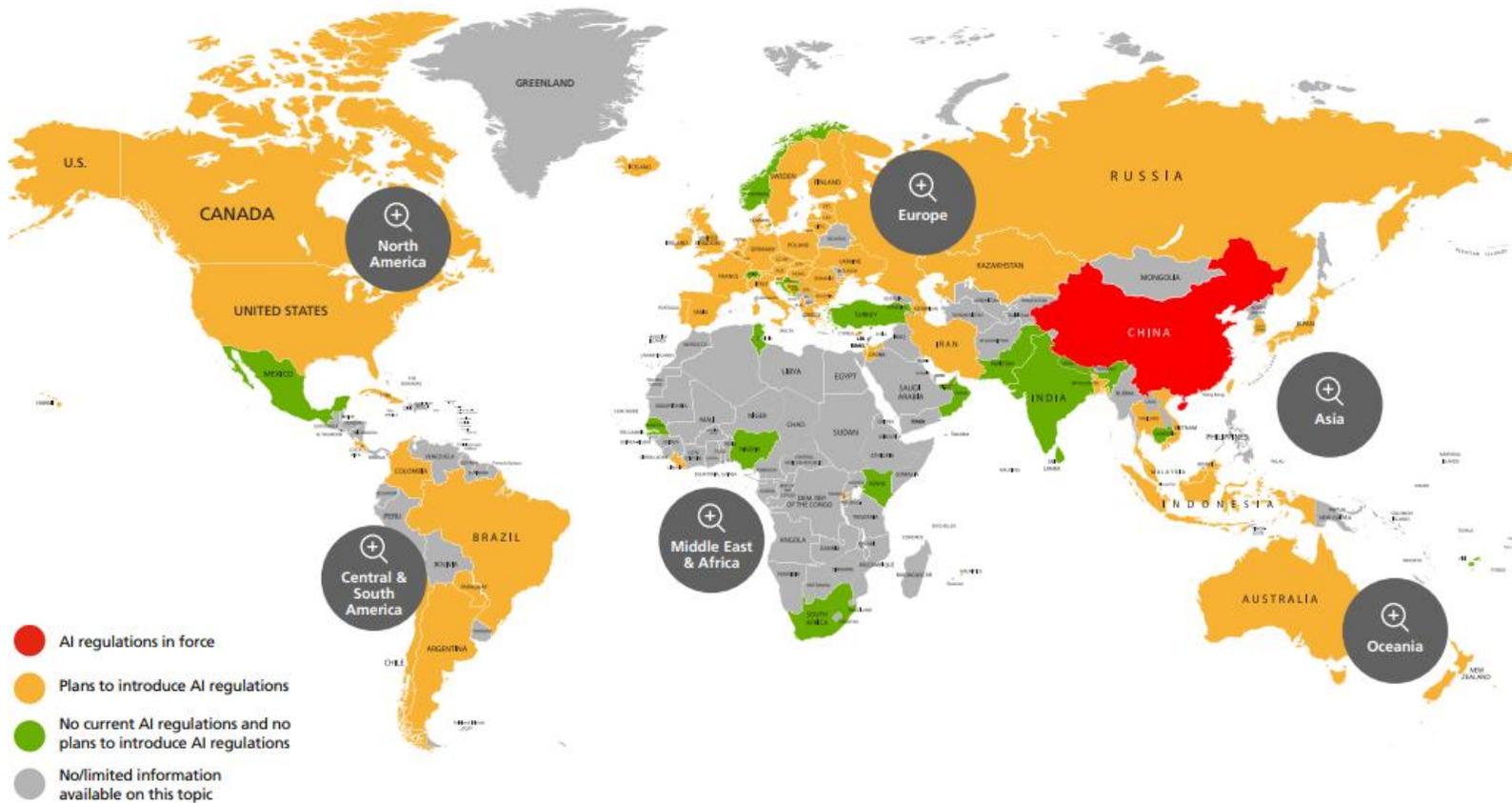
## B. « The U.S. innovates, the EU regulates » : is that so ?(4)



### Interactive World Map

For more information on a particular region click zoom icons or use the menu to navigate.

- All
- North America
- Central & South America
- Europe
- Africa
- Asia
- Oceania



June 2023

# II. Pros and Cons of regulating AI: a non exhaustive panorama



## II. Pros and Cons of regulating AI : a non exhaustive panorama

- A need for regulation : consensus (or almost)
- EU-AI Act : April 2021 - August 2027 : and super complex



## II. Pros and Cons of regulating AI : a non exhaustive panorama

### 1. Pros of regulation (1)

#### ➤ **Safety and risk management:**

- Mitigating risks of AI failures
- AI systems might operate unpredictably, especially in high-risk areas such as autonomous vehicles, medical diagnosis, or military applications.

#### ➤ **Ethical considerations:**

- Ensuring fairness and preventing bias
- Protecting human dignity and rights

#### ➤ **Accountability and transparency:**

- AI systems can often operate in "black box" ways, where it's unclear how they make decisions
- In the case of accidents or misuse, regulation ensures that it's clear who is legally responsible.





## II. Pros and Cons of regulating AI : a non exhaustive panorama

### 1. Pros of regulation (2)

#### ➤ Preventing AI misuse:

- AI systems, especially those that can be used for both civilian and military purposes (e.g., facial recognition, drones)
- Protecting against harmful applications: such as autonomous lethal weapons, large-scale surveillance, or AI-powered cyberattacks.

#### ➤ Consumer protection

- Building societal trust in AI
- Without regulation, AI could lead to public concerns around privacy, job displacement, or abuse of power, particularly in surveillance or policing contexts.



## II. Pros and Cons of regulating AI : a non exhaustive panorama

### 2. Cons of regulation (1)

➤ **Stifling innovation and slowing progress:**

- Over-regulation hinder discourage technological development
- Discouraging investment and competition

➤ **Difficulty of keeping up with AI's rapid evolution:**

- AI evolves quickly - regulation is slow
- Regulating in the face of uncertainty: AI's future potential is still uncertain, and overly prescriptive regulations could restrict its development in areas where it could have significant positive impacts, such as healthcare, education, and environmental sustainability.



## II. Pros and Cons of regulating AI : a non exhaustive panorama

### 2. Cons of regulation (2)



#### ➤ **Overly broad or misaligned regulations:**

- One-size-fits-all regulation could be harmful because it is used across many different sectors
- Some worry that strict regulation might limit beneficial applications of AI, such as those in areas like climate modeling, personalized medicine, or disaster response.

#### ➤ **Global competitiveness:**

- Falling behind in the global AI race: If one region, such as the EU, imposes strict regulations, it may put its companies and researchers at a disadvantage compared to countries with less restrictive frameworks, such as China or the U.S.
- Over-regulation in certain regions could push companies to relocate to countries with more lenient or flexible regulatory regimes.

## II. Pros and Cons of regulating AI: a non exhaustive panorama

### 2. Cons of regulation (3)

➤ **Market-driven solutions could be sufficient:**

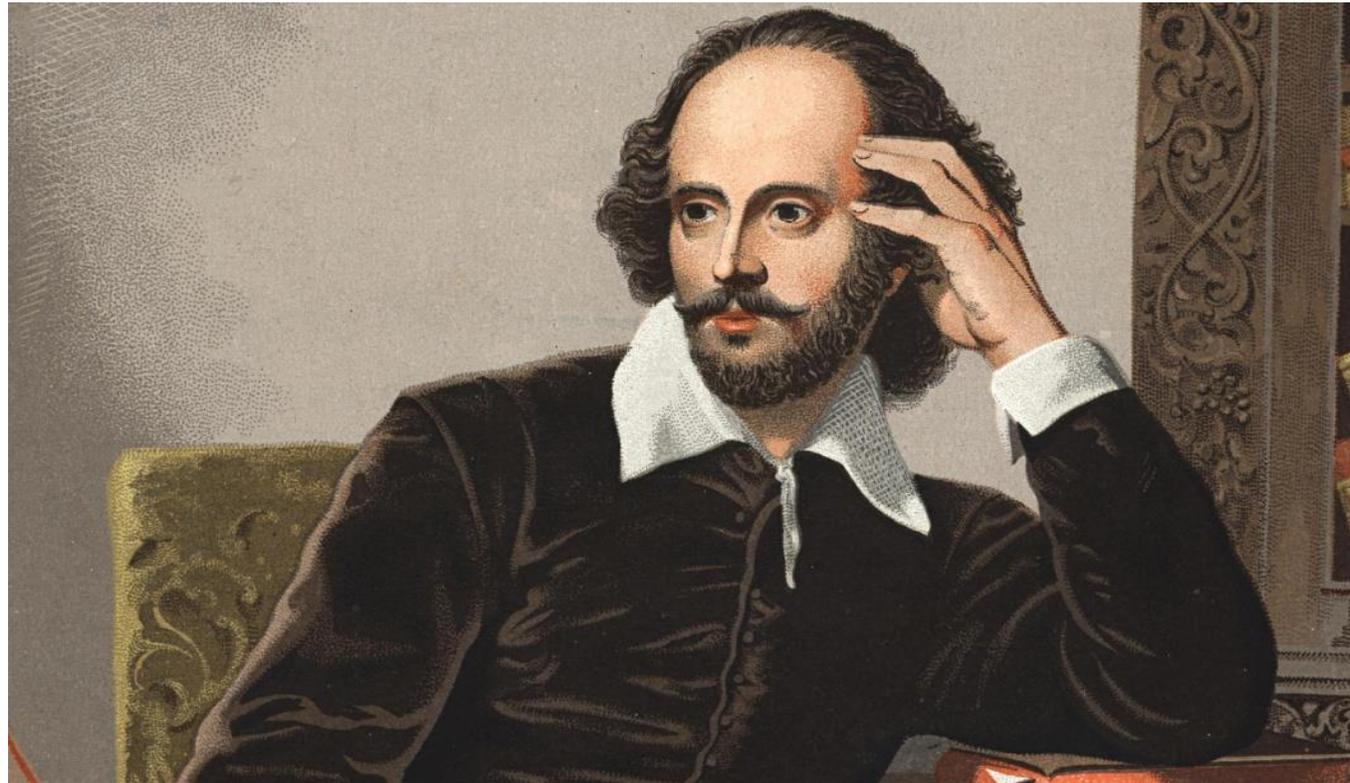
- The market might self-regulate

➤ **Regulatory capture and bureaucracy:**

- **Compliance Burden:** Increased bureaucracy and compliance costs from regulation can hinder smaller companies and startups, slowing AI development



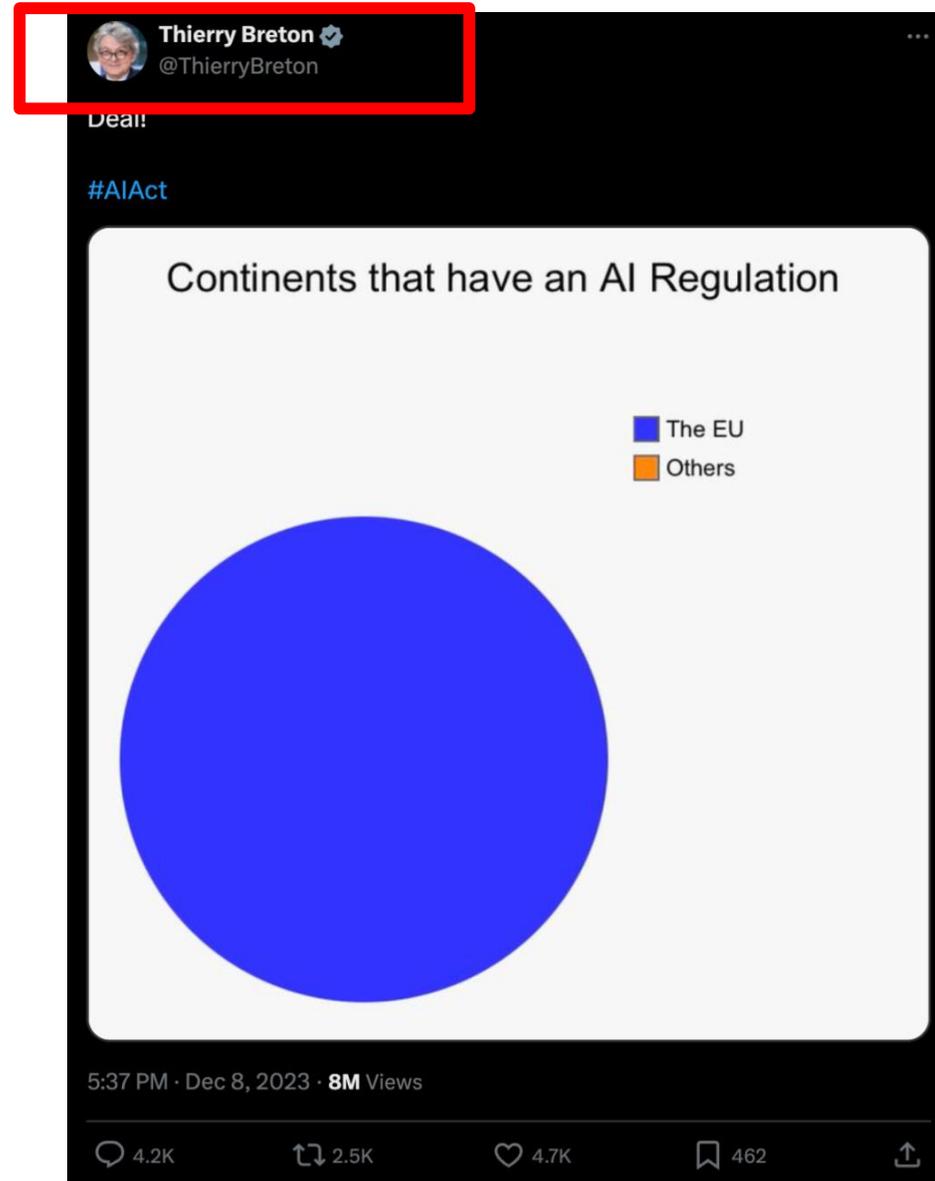
# III. The wider debate: a trend or not a trend (at least in the EU)?



A trend or not a trend?

### III. The wider debate: a trend or not a trend (at least in the EU)?

#### A. I like the AI Act - I don't like the AI Act : Mr Breton



### III. The wider debate : a trend or not a trend (at least in the EU)

#### A. I like the AI Act - I don't like the AI Act : P. Garciano

## The Strange Kafka World of the EU AI Act

The regulation needs repealing



PIETER GARCIANO  
OCT 30, 2024

- The AI Act aims for harmonization but results in **fragmented enforcement**.
- At the EU level there will be **four bodies**: an **AI office** responsible for defining guidelines, definitions and coordinating bloc-wide enforcement, a **board staffed** by representatives from the member states, a **scientific panel**, supporting both the office and the board, and an **advisory forum**.
- Each member state will have at least one **market surveillance authority** responsible for ensuring compliance, investigating failures and applying penalties.
- Each member state will have at least one **notifying authority** that will supervise the organizations (called notified bodies) that do conformity assessments and share those assessments with other notifying authorities.
- Each member state will also have **notified bodies** that are responsible for certifying that systems conform to the requirements imposed on them.
- By law, all these 55+ organizations must have staff with "in-depth understanding of AI technologies, data and data computing, personal data protection, cybersecurity, fundamental rights, health and safety risks and knowledge of existing standards and legal requirement".

### III. The wider debate : a trend or not a trend (at least in the EU)

#### A. I like the AI Act - I don't like the AI Act : the AI Pact

- The AI Pact is an initiative designed to encourage responsible and ethical development and use of AI in the European Union.
- The Commission is promoting the AI Pact, to help stakeholders prepare for the implementation of the AI Act. The AI Pact, is structured around two pillars.
- It aims to foster collaboration between EU countries, businesses, and stakeholders to ensure that AI technologies align with the EU's values, such as fairness, accountability, transparency, and privacy.

Here's a sampling of companies that have agreed to the EU's AI pact:



- Adobe
- Amazon
- Google
- Microsoft
- OpenAI
- Samsung
- Snap

There are two major holdouts, however. Not only Apple, but also Meta has chosen not to sign.



### III. The wider debate : a trend or not a trend (at least in the EU)

#### A. I like the AI Act - I don't like the AI Act : the AI Pact

- Signatories of the pledges:

2021.ai	Accenture	Adecco
Adobe	AI & Partners	Airbus
Aleph Alpha	Alteryx	Amadeus IT Group
Amazon (Amazon Europe Core)	Arkage IT	ASIMOV AI
Atlassian	Autodesk	Beamery
Bearing Point	Biologit	Blimp AI
Blueskeye AI	Booking.com	Broadridge
Calimala AI	Castroalonso	CB Navigate
cBrain	CEGID SAS	Certifopac
CGI	Cisco	Cohere
Complear	Corsight AI	CREDO AI
Criteo	Dassault Systèmes	Dedalus Healthcare
DEKRA	Delta Capita	Deutsche Telekom

Godot	Google	GSO Psychometrics
Halfspace	Hewlett Packard Enterprise	Iberdrola
IBM	iDAKTO	IDEMIA Public Security
Infosys Limited	Ingka Group	Innomatik
IKEA Group	Intesa Sanpaolo	Intuit

LT42	Lynclo	Manteia - Memar S.r.l
Mastercard	MetCommunications	Microsoft
Milestone Systems	Miraki	ML Analytics
ML Cube	MLSecured	Modulos
Motorola Solutions	Mural	Naaia.ai
NEC	Nokia	NTrust
OpenAI	Orange	OVHcloud
Palantir	Palo Alto Networks	Porsche
Qina	Qualcomm	Sage
Saidot	Salesforce	Samsung
SAP	Scania	Science4Tech

### III. The wider debate : a trend or not a trend (at least in the EU)

#### A. I like the AI Act - I don't like the AI Act : Apple

## Apple rejects new AI pact in EU, despite support from OpenAI, Google, more



Ryan Christoffel | Sep 26 2024 - 6:52 am PT | 60 Comments



### III. The wider debate : a trend or not a trend (at least in the EU)

#### A. I like the AI Act - I don't like the AI Act : Politico

- Pieter Haeck and Mathieu Pollet write for Politico :

Apple and Meta seem like frenemies at best when it comes to a host of other matters. But apparently they told the same stance regarding the new pact.



NEWS > COMPETITION AND INDUSTRIAL POLICY

## For Apple, the EU is a cash sinkhole

The world's largest company has racked up fines, taxes and investigations in a region where it says it can't sell its latest tech.

### III. The wider debate : a trend or not a trend (at least in the EU)

#### A. I like the AI Act - I don't like the AI Act : the Open letter

Signed,

**Alexandre Lebrun**  
CEO, Nabla

**André Martins**  
VP of AI Research, Unbabel

**Aureliusz Górski**  
Founder & CEO, CampusAI

**Börje Ekholm**  
President & CEO, Ericsson

**Benedict Macon-Cooney**  
Chief Policy Strategist, Tony Blair Institute

**Christian Klein**  
CEO of SAP SE

**Prof. Dagmar Schuller**  
CEO, audEERING

**Daniel Ek**  
Founder and CEO of Spotify

**Daniel J. Beutel**  
Co-Founder & CEO, Flower Labs

**David Lacombed**  
Président, La villa numeris

**Maciej Hutyla**  
CEO, SalesTube Sp. z o.o.

**Marco Baroni**  
Research Professor, ICREA

**Marco Tronchetti Provera**  
Executive Vice Chairman, Pirelli

**Mark Zuckerberg**  
Founder and CEO, Meta

**Miguel Ferrer**  
EsTech

**Martin Ott**  
CEO, Taxfix SE

**Matthieu Rouif**  
CEO, Photoroom

**Maurice Lévy**  
Chairman emeritus Publicis Groupe

**Maximo Ibarra**  
CEO, Engineering Ingegneria Informatica SPA

**Michal Kanownik**  
CEO, Digital Poland Association

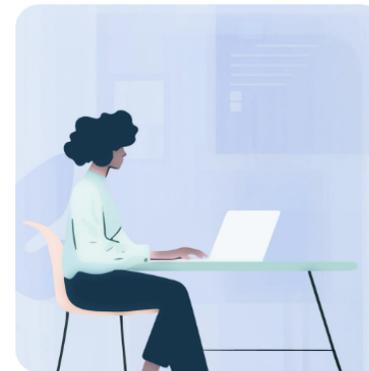


Non exhaustive list (101 signatories)

### III. The wider debate : a trend or not a trend (at least in the EU)

#### A. I like the AI Act - I don't like the AI Act : the open letter

- *Europe has become less competitive and less innovative compared to other regions and it now risks falling further behind in the AI era due to inconsistent regulatory decision making.*
- *The EU's ability to compete with the rest of the world on AI and reap the benefits of open source models rests on its single market and shared regulatory rulebook.*
- *We hope European policymakers and regulators see what is at stake if there is no change of course. Europe can't afford to miss out on the widespread benefits from responsibly built open AI technologies.*



**Research estimates that Generative AI could increase global GDP by 10% over the coming decade<sup>1</sup> and EU citizens shouldn't be denied that growth.**

### III. The wider debate : a trend or not a trend (at least in the EU)

#### A. I like the AI Act - I don't like the AI Act : Mario Draghi

- EU has to prioritize AI as a growth area, noting its potential for a digital revolution.
- EU's missed opportunities in past revolutions, with the EU lagging behind the internet and cloud computing, dominated by major U.S. players.
- There is still time for Europe to enhance its AI capabilities.
- Promoting coordination and data sharing across industries to accelerate AI integration into European industries
- Public Sector Support for SMEs
- Draghi's plan aims to fast-track AI development in ten strategic sectors (e.g., automotive, advanced manufacturing, energy, telecommunications, agriculture, and healthcare) by facilitating industry cooperation in data sharing.



### III. The wider debate : a trend or not a trend (at least in the EU)

#### B. A few implications of the current debate (1)

- A global issue – and an issue for all nations and citizens

*“This isn’t just a matter for policymakers and industry leaders, but for nations and citizens on a global scale”*

- John Roese, global Chief Technology Officer, Dell technologies, 9 October, 2023



- AI policy in everything

*“People can expect the United States to weave in AI policy issues in everything we do”*

- Nathanial Fick, American diplomat, technology executive, author, and former United States Marine Corps officer. He was the CEO of cybersecurity software company Endgame, Inc., 26 March, 2024

### III. The wider debate : a trend or not a trend (at least in the EU)

#### B. A few implications of the current debate (2)

➤ AI means another digital revolution

*With the world now on the cusp of another digital revolution, triggered by the spread of artificial intelligence (AI), a window has opened for Europe to redress its failings in innovation and productivity and to restore its manufacturing potential .*

- **Mario Draghi**, Draghi report, 9 September 2024



➤ Ethics and a sweeping debate

*“We need a sweeping debate about ethics, boundaries, and regulation for location data technologies”.*

- **Kate Crawford**, a Research Professor at USC Annenberg in Los Angeles.





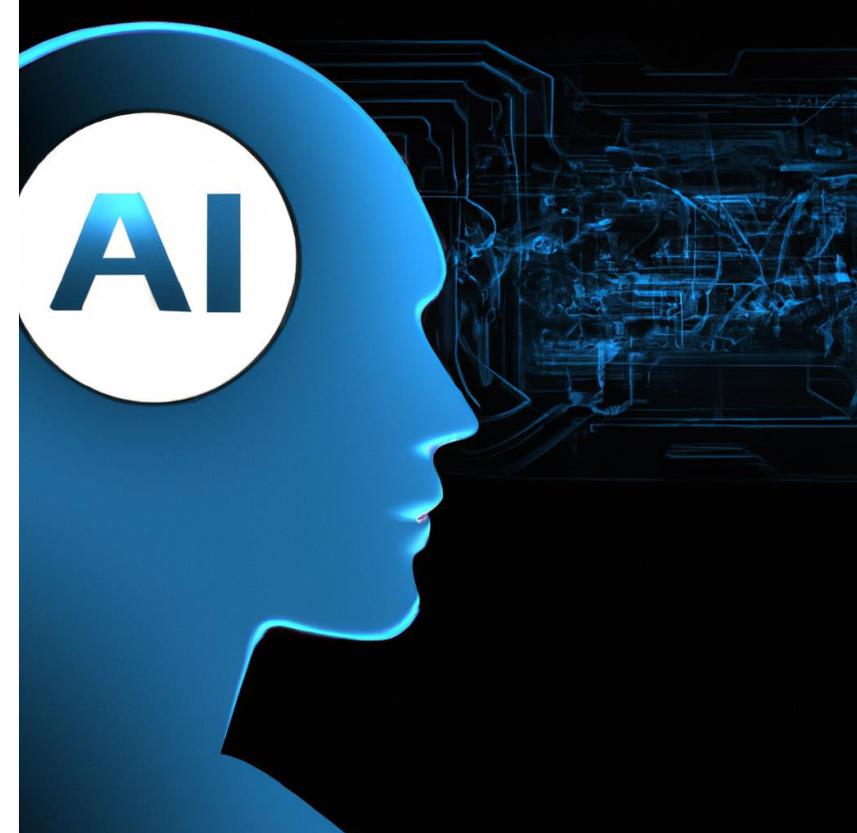
### III. The wider debate : a trend or not a trend (at least in the EU)

#### B. A few implications of the current debate (3)

➤ Trust

*Any regulation of AI must create trust.*

- **Jean-Louis Schiltz, Paperjam, 28 juin 2024**



Generated with AI

### III. The wider debate : a trend or not a trend (at least in the EU)

#### C. A legal conclusion (or not) : back to basics?

*European legislators are watering down the fundamental advantages of the code based legal system, by making legislation so long and detailed that it resembles a collection of potential future case law rather than setting interpretable principles .*

- **Moritz von Kunow, Governance Tailor (Luxembourg)**



### III. The wider debate : a trend or not a trend (at least in the EU)

#### C. A legal conclusion (or not) : back to basics?

Basics :

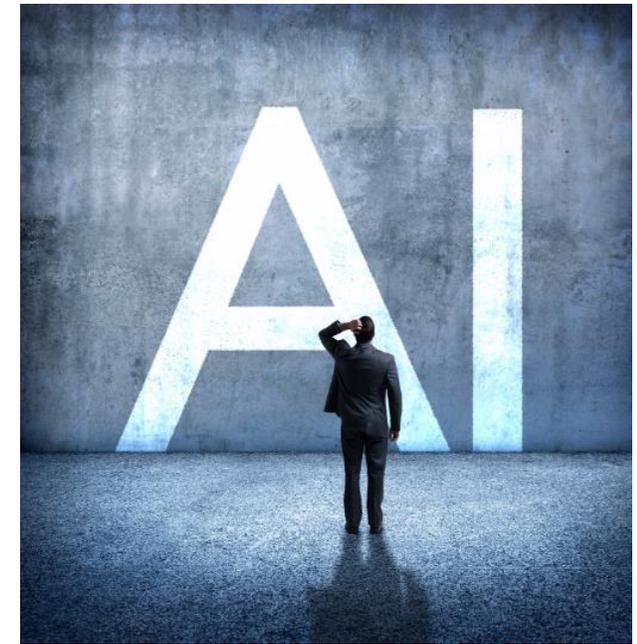
- 1) Digital first
- 2) Accountability and human oversight
- 3) A risk based approach -> proportionality



trust



ethics



### III. The wider debate : a trend or not a trend (at least in the EU)

#### C. A legal conclusion (or not) : back to basics?



*Council of Europe Treaty Series - No. 225*

#### **Council of Europe Framework Convention on Artificial Intelligence and Human Rights, Democracy and the Rule of Law**

Vilnius, 5.IX.2024

(12 pages – 36 articles)

- **Object and purpose:**

1. Human rights
2. Democracy
3. Rule of law



### III. The wider debate : a trend or not a trend (at least in the EU)

#### C. A legal conclusion (or not) : back to basics?

- **Principles related to activities within the lifecycle of AI:**
  1. Human dignity and individual autonomy
  2. Transparency and oversight
  3. Accountability and responsibility
  4. Equality and non – discrimination
  5. Privacy and personal data protection
  6. Reliability
  7. Safe innovation



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Vilnius, 5.IX.2024



# IV. A snapshot on ethical challenges



## IV. A snapshot on ethical challenges

### 1. AI in military applications: a free lunch for the military (1)

- **Scope of the AI Act: exclusion of military use**
- Objective of the AI Act = protection of human rights
- Military produces lethal weapons : can kill humans



*Dunja Mijatović a été élue Commissaire aux droits de l'homme par l'Assemblée parlementaire en janvier 2018 et a pris ses fonctions le 1er avril 2018. Quatrième Commissaire, elle succède à ce poste à Nils Muižnieks (2012-2018), Thomas Hammarberg (2006-2012) et Alvaro Gil-Robles (1999-2006).*



## IV. A snapshot ethical challenges

### 1. AI in military applications: a fine lunch for the military (2)

- zero protection through AI Act

#### Is the first human right not the right to life?

CHARTER OF FUNDAMENTAL RIGHTS OF THE EUROPEAN UNION (2012/C 326/02):

Article 2 : *Everyone has the right to life.*



?

CHARTER OF FUNDAMENTAL RIGHTS OF THE  
EUROPEAN UNION

(2012/C 326/02)



## IV. A snapshot ethical challenges

### 2. AI and ethical considerations: I kill the cat (1)



#### ***I kill the cat***

*For example, suppose you have a domestic robot built according to the classical model with fixed but imperfect objectives.*

*And you're stuck at work late, your partner is away, perhaps looking for a birthday present, and the robot is looking after the kids for you. Now the kids are hungry and very grumpy, and there's nothing in the fridge, and there's no time to go shopping.*

*And then...the robot sees the cat.*

*Unfortunately, the robot lacks the understanding that the cat's sentimental value is far more important than its nutritional value.*

*So, well, anyway, you can imagine what happens next.*

*And then the newspapers find out and go bananas, and that's the end of the domestic robot industry, because no one would ever buy a robot that might do such a thing.*

*So having this kind of humility - knowing that it doesn't know all of our preferences and asking before doing something impulsive - is going to be an economic necessity for human-facing applications of AI.*



## IV. A snapshot ethical challenges

### 2. AI and ethical considerations: I kill the cat (2)

Professor Stuart Russel, Newcastle, BBC RADIO 4  
Lecture 4: Beneficial AI and a Future for Humans, 2021

#### Principles

- 1) The machine's only objective is to maximise the realisation of perceived human preferences.
- 2) The machine is initially uncertain about what those preferences are.
- 3) The ultimate source of information about human preferences is human behaviour.

Are we ready to encode these into legislation? No



The screenshot shows a BBC Radio 4 podcast player interface. At the top, there is a portrait of Stuart Russell with the BBC logo and a 'Listen now' button. Below the portrait, the title 'AI: A Future for Humans' is displayed, along with the subtitle 'Stuart Russell - Living With Artificial Intelligence' and 'Episode 4 of 4'. A description follows: 'Stuart Russell suggests a way forward for human control over super-powerful artificial intelligence'. To the right, it says 'Available now' and '58 minutes'. There is a 'Show more' link and a 'Download' button. Below this, there is a 'Transcript' section with a thumbnail image of hands and the text 'Download the transcript of Stuart Russell's fourth lecture: AI: A Future for Humans.' At the bottom, there is a 'Broadcasts' section with two entries: 'RADIO 4 Wed 22 Dec 2021' and 'RADIO 4 Fri 4 Mar 2022'.

## Conclusion: What about the lawyers?

### Yuval Noah Harari « Beware the AI bureaucrats » 26 October 2024

Opinion Artificial intelligence

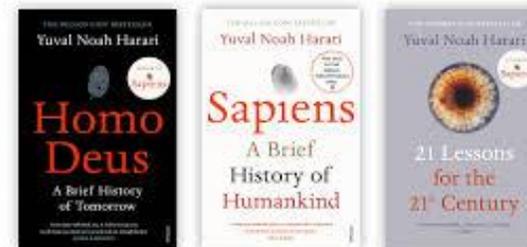
#### Beware the AI bureaucrats

It's not killer robots we should be worried about, but the automated plumbers of the information network

YUVAL NOAH HARARI



- *AI is likely to become far more powerful than any human lawyer*



# THANK YOU FOR YOUR ATTENTION



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