Overview of the EU AI Act

TransFormWork II – First European Roundtable

15 October 2024

Definition

An AI system is a machine-based system that, for explicit or implicit objectives, infers from the input it receives, how to generate outputs such as predictions, content, recommendations, or decisions that can influence physical or virtual environments.

Different AI systems vary in their levels of autonomy and adaptiveness after deployment.

OECD 2024
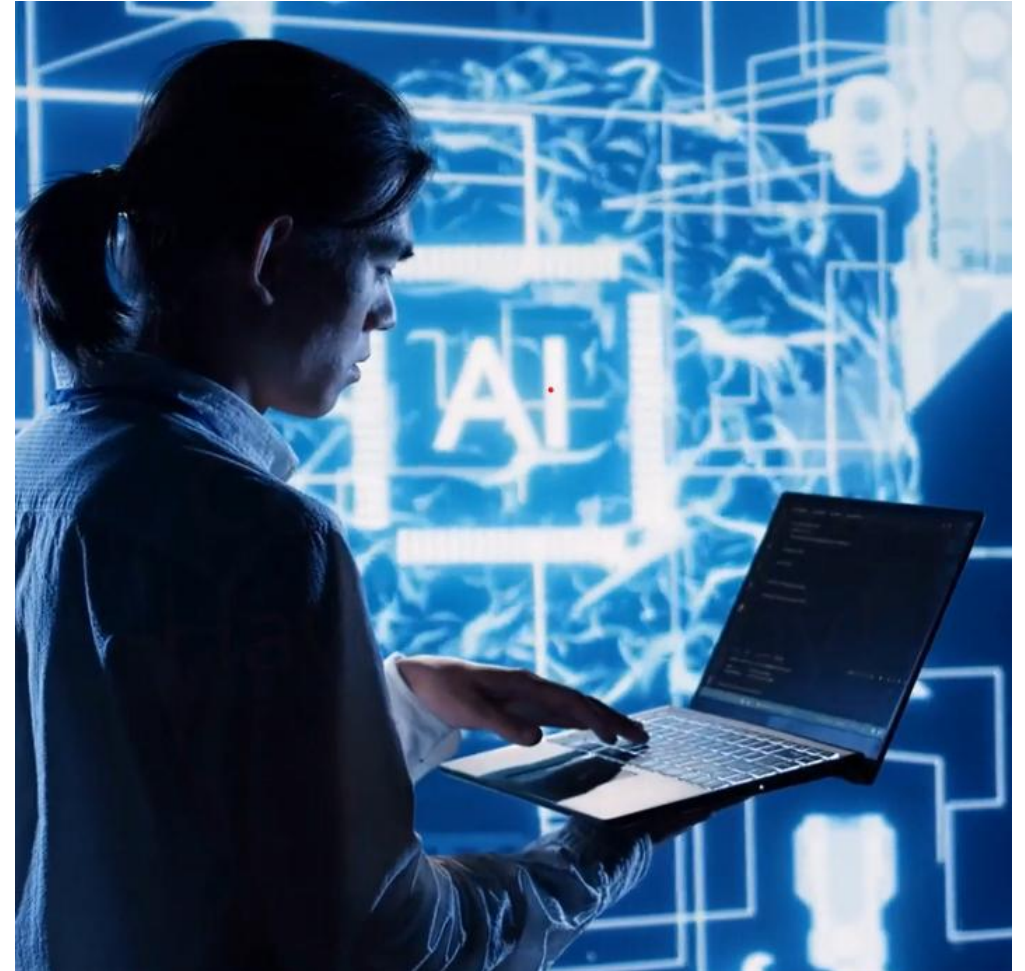
EU Guardrails – Harmonised Rules on AI

Designed to provide a high level of protection to people's health, safety, and fundamental rights and to promote the adoption of human-centric, trustworthy AI.

➤ Entered into force 2nd August 2024,

➤ Provisions apply over 36-month period,

➤ Risk-based approach.

https://digital-strategy.ec.europa.eu/en/policies/regulatory-framework-ai

Classification of Risk

Unacceptable risk
e.g. social scoring, untargeted scraping
— **Prohibited**

High risk
e.g. recruitment, medical devices
— **Permitted** subject to compliance with AI requirements and ex-ante conformity assessment
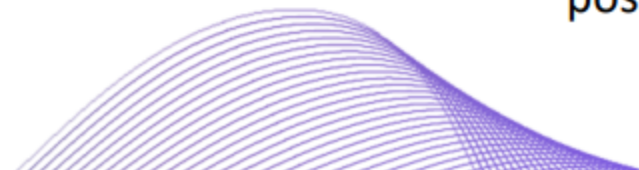
*Not mutually exclusive

'Transparency' risk
Impersonation (chatbots), synthetic content
— **Permitted** but subject to information/transparency obligations

Minimal or no risk
— **Permitted** with no restrictions, voluntary codes of conduct possible

European Commission

Prohibited AI Practices for Unacceptable Risk

a) **Subliminal techniques** likely to cause that person, or another, significant harm,

b) **Exploiting vulnerabilities** due to age, disability or social or economic situation,

c) **Social scoring** leading to *disproportionate* detrimental or unfavourable treatment,

d) **Profiling individuals** for prediction of criminal activity,

e) **Untargeted scraping** of facial images,

f) **Inferring emotions** in work or education,

g) **Biometric categorisation** of race, religion, sexual orientation...,

h) Real-time remote **biometric identification** for law enforcement purposes.

High-risk AI Systems

Two categories:

1. Use of AI in conjunction with 12 product types covered by certain EU safety legislation ('Market Surveillance'),

2. Eight specific uses of AI.

Transparency Obligations

1. **Providers of AI systems intended to interact directly with natural persons,**

2. **Providers of AI systems, generating synthetic audio, image, video, or text content,**

3. **Deployers of emotion recognition system or a biometric categorisation system,**

4. **Deployers of AI system that generates or manipulates image, audio or video content constituting a deep fake.**

'deployer' means a natural or legal person, public authority, agency or other body using an AI system under its authority except where the AI system is used in the course of a personal non-professional activity;

'provider' means a natural or legal person, public authority, agency or other body that develops an AI system or a general-purpose AI model or that has an AI system or a general-purpose AI model developed and places it on the market or puts the AI system into service under its own name or trademark, whether for payment or free of charge;

Hi-risk Product Categories covered by Act

	Product Category	EU Harmonised Legislation
1	Machinery	Directive 2006/42/EC
2	Toys	Directive 2009/48/EC
3	Watercraft	Directive 2013/53/EC
4	Lifts	Directive 2014/33/EU
5	Equipment for use in explosive atmospheres	Directive 2014/34/EU
6	Radio equipment	Directive 2014/53/EU
7	Pressure equipment	Directive 2014/68/EU
8	Cableway installations	Regulation (EU) 2016/424
9	Personal protective equipment	Regulation (EU) 2016/425
10	Appliances burning gaseous fuel	Regulation (EU) 4016/426
11	Medical devices	Regulation (EU) 2017/745
12	*In vitro* diagnostic medical devices	Regulation (EU) 2017/746

High-risk Uses

1. **Biometric identification or categorisation, emotion recognition,**
2. **AI used as safety components in management and operation of critical digital infrastructures, road traffic, supply of water, gas and electricity,**
3. **Educational and vocational training,**
4. **Employment, worker management and access to self-employment,**
5. **Access to essential public and private services and benefits (e.g. healthcare, life & health insurance, creditworthiness),**
6. **Law Enforcement,**
7. **Migration, asylum & border control management,**
8. **Administration of Justice and Democracy.**

Application of Act

Most provisions apply from August 2026. However,

➢ **The prohibitions on uses with unacceptable risk apply from February 2025.**

➢ **The provisions on General Purpose AI apply from August 2025.**

➢ **The provisions on product-linked High-risk AI systems apply from August 2027.**

Obligations

➤ **The AI Act provides for two distinct dimensions of regulation of AI systems:**

1. **Certification of AI systems' conformance with standards, and**
2. **Supervision of systems by Market Surveillance Authorities.**

➤ **High-Risk Use Case systems must be registered in EU Database,**

➤ **The key responsibilities will lie with,**
- **Providers,**
- **Deployers.**

➤ **However, there are also responsibilities for,**
- **Distributors,**
- **Importers,**
- **Authorised representatives.**

Obligations of deployers of high-risk AI systems

...Before putting into service or using a high-risk AI system at the workplace, deployers who are employers shall inform workers' representatives and the affected workers that they will be subject to the use of the high-risk AI system...

Article 26(7)

Right to lodge a complaint with a market surveillance authority

...any natural or legal person having grounds to consider that there has been an infringement of the provisions of this Regulation may submit complaints to the relevant market surveillance authority...

Article 85

Fundamental Rights Impact Assessment

➢ **For High-Risk Use-Cases,**

➢ **Deployers that are public bodies, or private operators providing public services,**

➢**Assessment must include a description of,**

- ■ **The deployers' processes and the intention of use of the AI system,**

- ■ **Intended period of use,**

- ■ **Categories of persons likely to be affected by the AI use,**

- ■ **Specific risks of harm,**

- ■ **Human oversight measures,**

- ■ **Measures to be taken if risks materialise.**

To summarise,

➤ **The EU AI Act is a significant advance in ensuring that AI is used in a safe and ethical manner in workplaces across the EU.**

➤ **By addressing the potential harms from use of AI and protecting workers' rights, the Act will help create a safer and fairer working environment for EU workers.**

Thank you.

Questions?