

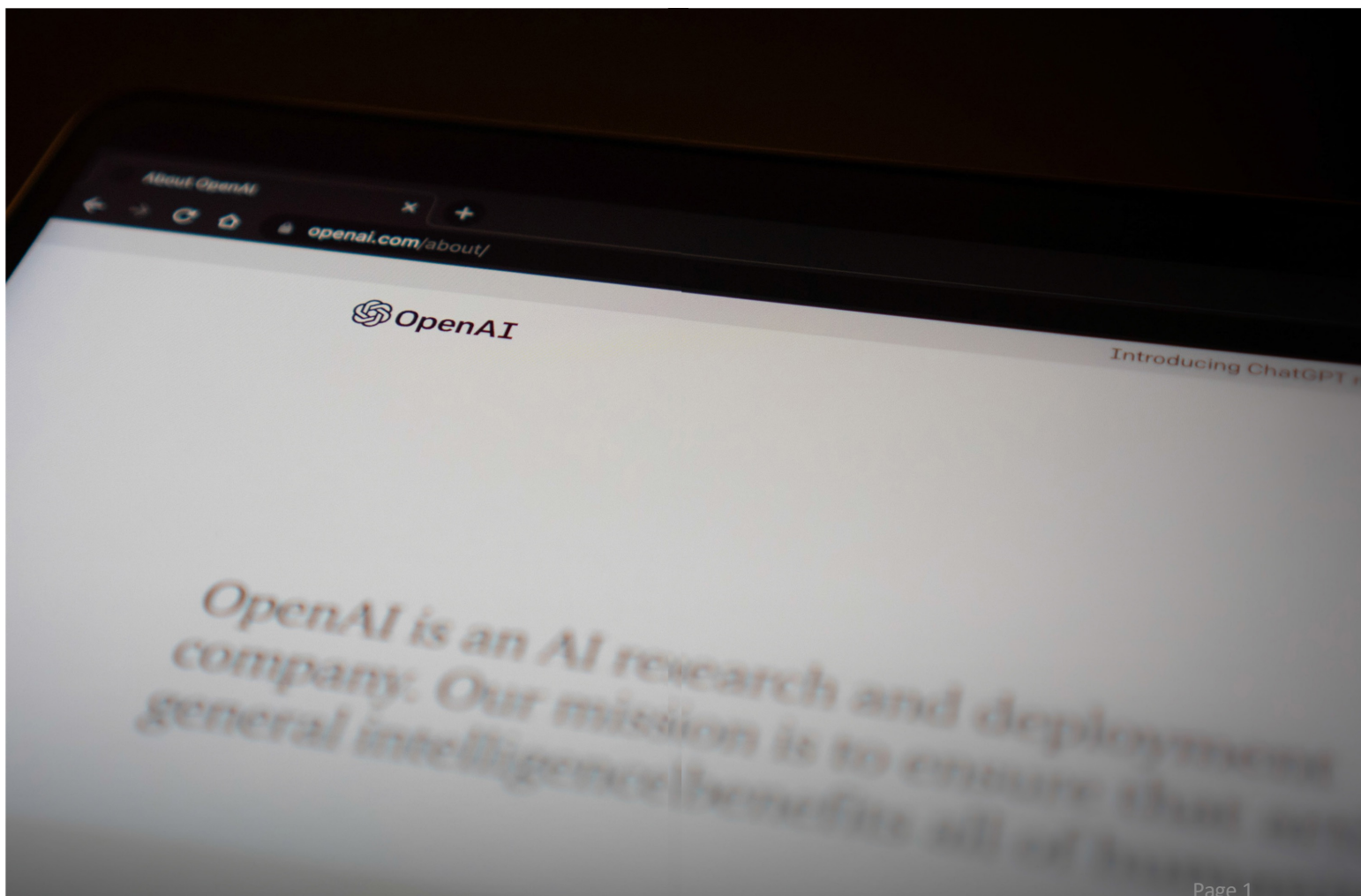
## “Regulating AI – Taming the Beast”

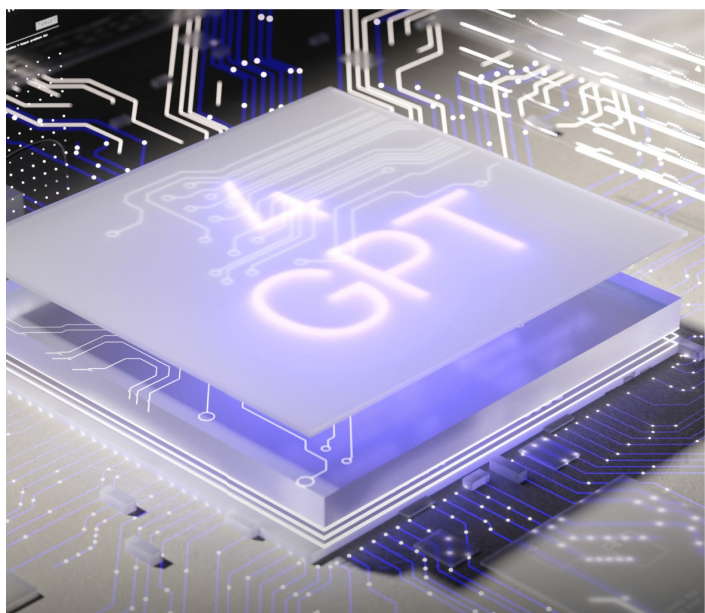
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The impressive advancements in artificial intelligence have astounded users with its capabilities in composing music, creating images, and writing essays. However, it has also sparked concerns about its potential implications. Even EU officials tasked with establishing regulations for the emerging technology were caught off guard by its rapid growth. Two years ago, the 27-nation bloc proposed the first set of AI rules in the Western world, primarily focusing on limiting risky but specific applications. General-purpose AI systems like chatbots were barely mentioned, and lawmakers were unsure of whether or how to include them.

However, the release of ChatGPT last year, which could generate human-like responses based on extensive online scanning, attracted global attention and raised concerns. As a result, European lawmakers moved quickly in recent weeks to update the legislation to include language regarding general AI systems.

The EU's AI Act may become the global standard for artificial intelligence, with companies and organizations potentially opting to comply with these regulations due to the bloc's substantial single market.





According to Sarah Chander, the senior policy adviser at digital rights group EDRI, Europe is the first regional bloc taking significant steps to regulate AI, which is no easy task given the various AI systems that fall under its broad umbrella term. Governments around the globe are working tirelessly to regulate the ever-evolving technology to ensure that it enhances people's lives without jeopardizing their safety or rights. Regulators are particularly concerned about the wide range of ethical and societal risks that general-purpose AI systems like ChatGPT could create for everything from employment and education to copyright and privacy.

The White House has recently met with key executives of tech companies, including Microsoft, Google, and OpenAI, the creator of ChatGPT, to discuss these risks, while the Federal Trade Commission has warned that it would not hesitate to take action against them. China has already issued draft regulations mandating thorough security assessments for all products that use generative AI systems like ChatGPT.

Meanwhile, in Britain, the competition watchdog is currently conducting an AI market review, while Italy briefly banned ChatGPT after a privacy incident. The European Union's extensive regulations encompass any provider of AI products or services and are expected to be ratified by a European Parliament committee before entering negotiations between its member-states, Parliament, and the EU's executive Commission.

This step could potentially impact the global regulations governing AI, similar to the "Brussels Effect" that emerged when the EU enforced data privacy and imposed a common standard for phone-charging cables. However, some of these efforts to standardize have faced backlash for stifling innovation. Notably, tech leaders such as Elon Musk and Steve Wozniak have urged for a pause to assess the risks. Last week even the AI pioneers, Geoffrey Hinton and Yoshua Bengio, expressed their concerns about unregulated AI development.

However, Dragos Tudorache believes that the move to initiate AI regulations in 2021 was the correct choice in light of these warnings. While Google, which responded to ChatGPT with its chatbot, Bard, declined to provide comments, Microsoft, an OpenAI supporter, viewed the EU efforts positively, seeing them as an essential effort "to make trustworthy AI the norm in Europe and globally." According to Mira Murati, OpenAI's CTO, governments should be involved in regulating AI, but she acknowledged that applying regulations to specific AI tools is complicated and context-dependent, based on whether it is intended for accounting, advertising, or high-risk medical/legal use cases.

As part of his world tour, OpenAI CEO, Sam Altman, intends to visit Brussels and other European cities this month to discuss AI technology with users and developers. The recent modifications to the EU's AI Act include a requirement for "foundation" AI models, like ChatGPT, to reveal any copyrighted material used in their training. Foundation models are a type of general-purpose AI that employs algorithms trained on vast online pools of information, such as digital books, blog posts, songs, and scientific articles.

It is crucial for content creators to have the ability to seek redress, and the updated legislation paves the way for that. In regulating AI, officials must balance the challenges it poses with the transformative benefits it offers, while multinational tech companies developing AI systems and European national ministries looking to deploy them strive to limit the oversight of regulators. On the other hand, civil society groups push for more accountability and transparency, seeking information on how these systems are developed, the levels of environmental and economic resources they consume, and how and where they are employed to challenge them more effectively, as per Sarah Chander, Senior Policy Adviser at EDRi.



In the EU's risk-based approach, AI uses that threaten the safety or rights of individuals are subject to stringent controls. Remote facial recognition and government "social scoring" systems that evaluate individuals based on their actions are anticipated to be prohibited. Additionally, using biometric matching and facial recognition to extract photos from the internet without proper screening is also not allowed. Predictive policing and emotion recognition technology are also out, except for therapeutic or medical purposes.

Companies that violate these guidelines could face fines of up to 6% of their global annual revenue. Even after final approval, the AI Act will not be enforced immediately, and a grace period will be granted to allow organizations and companies to adjust to the new regulations.



European consumer group BEUC's Senior Legal Officer, Frederico Oliveira Da Silva, notes that industry representatives may request more time to comply with the AI Act's final provisions since it goes beyond the initial proposal. Da Silva also expresses concerns about the four-year gap between the AI Act's approval and full implementation, during which technological advancements could occur that heighten the risks associated with AI.

Therefore, authorities must remain vigilant, and industry representatives must focus on this technology.

Apostolos Tzikas, CEO

Innovius Solutions