Artificial Intelligence Act

2021/0106(COD) - 22/05/2023 - Committee report tabled for plenary, 1st reading/single reading

The Committee on the Internal Market and Consumer Protection and the Committee on Civil Liberties, Justice and Home Affairs adopted the joint report by Brando BENIFEI (S&D, IT) and Drago TUDORACHE (Renew, RO) on the proposal for a regulation of the European Parliament and of the Council on laying down harmonised rules on Artificial Intelligence (Artificial Intelligence Act) and amending certain Union Legislative Acts.

Given the major impact that artificial intelligence can have on society and the need to build trust, it is vital for artificial intelligence and its regulatory framework to be developed according to Union values enshrined in Article 2 TEU, the fundamental rights and freedoms enshrined in the Treaties, the Charter, and international human rights law.

Purpose

The purpose of the proposed regulation is to promote the uptake of **human centric and trustworthy artificial intelligence** and to ensure a high level of protection of health, safety, fundamental rights, democracy and rule of law and the environment from harmful effects of artificial intelligence systems in the Union. It lays 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 in conformity with Union values and ensures the free movement of AI-based goods and services cross-border, thus preventing Member States from imposing restrictions on the development, marketing and use of Artificial Intelligence systems (AI) systems, unless explicitly authorised by this Regulation. Certain AI systems can also have an impact on democracy and rule of law and the environment. These concerns are specifically addressed in the critical sectors and use cases listed in the annexes to this Regulation.

The amended text stipulates that the regulation should preserve the values of the Union facilitating the distribution of artificial intelligence benefits across society, protecting individuals, companies, democracy and rule of law and the environment from risks while boosting innovation and employment and making the Union a leader in the field.

General principles applicable to all AI systems

All operators covered by the Regulation should make every effort to develop and use AI or general purpose AI systems in accordance with the following general principles: (i) 'human agency and oversight'; (ii) 'technical robustness and safety'; (iii) 'privacy and data governance'; (iv) 'transparency'; (v) 'diversity, non-discrimination and fairness'; and (vi) 'social and environmental well-being'.

Scope

To support research and innovation, the regulation should not undermine research and development activity and respect freedom of scientific research. It is therefore necessary to exclude from its scope AI systems specifically developed for the sole purpose of scientific research and development and to ensure that the regulation does not otherwise affect scientific research and development activity on AI systems.

Members also added exemptions for research activities and AI components provided under open-source licenses. The new law promotes regulatory sandboxes, or controlled environments, established by public authorities to test AI before its deployment.

AI literacy

Members stressed that when implementing the proposed regulation, the Union and the Member States should promote measures for the development of a sufficient level of AI literacy, across sectors and taking into account the different needs of groups of providers, deployers and affected persons concerned, including through education and training, skilling and reskilling programmes and while ensuring proper gender and age balance, in view of allowing a democratic control of AI systems.

High-risk AI

Members expanded the classification of high-risk areas to include harm to people's health, safety, fundamental rights or the environment. They also added AI systems to influence voters in political campaigns and in recommender systems used by social media platforms (with more than 45 million users under the Digital Services Act) to the high-risk list.

Members also added the following bans such as:

- 'real-time' remote biometric identification systems in publicly accessible spaces;

- 'post" remote biometric identification systems, with the only exception of law enforcement for the prosecution of serious crimes and only after judicial authorisation;

- biometric categorisation systems using sensitive characteristics (e.g. gender, race, ethnicity, citizenship status, religion, political orientation);

- predictive policing systems (based on profiling, location or past criminal behaviour);

- emotion recognition systems in law enforcement, border management, workplace, and educational institutions; and

- indiscriminate scraping of biometric data from social media or CCTV footage to create facial recognition databases (violating human rights and right to privacy).

The European Artificial Intelligence Office

The proposal establishes the 'European Artificial Intelligence Office' which should be an independent body of the Union. It is proposed that its seat be in Brussels.

It should carry out, *inter alia*, the following tasks:

- support, advise, and cooperate with Member States, national supervisory authorities, the Commission and other Union institutions, bodies, offices and agencies with regard to the implementation of this Regulation;

- promote public awareness and understanding of the benefits, risks, safeguards and rights and obligations in relation to the use of AI systems;

- facilitate the development of common criteria and a shared understanding among market operators and competent authorities of the relevant concepts provided for in this Regulation;

- provide monitoring of foundation models and to organise a regular dialogue with the developers of foundation models with regard to their compliance as well as AI systems that make use of such AI models.

The AI Office should be accountable to the European Parliament and to the Council; act independently and ensure a high level of transparency.

EU database for high-risk AI systems

The amended text stressed that the Commission should, in collaboration with the Member States, set up and maintain a public EU database containing information concerning high-risk AI systems. Information contained in the EU database should be freely available to the public.