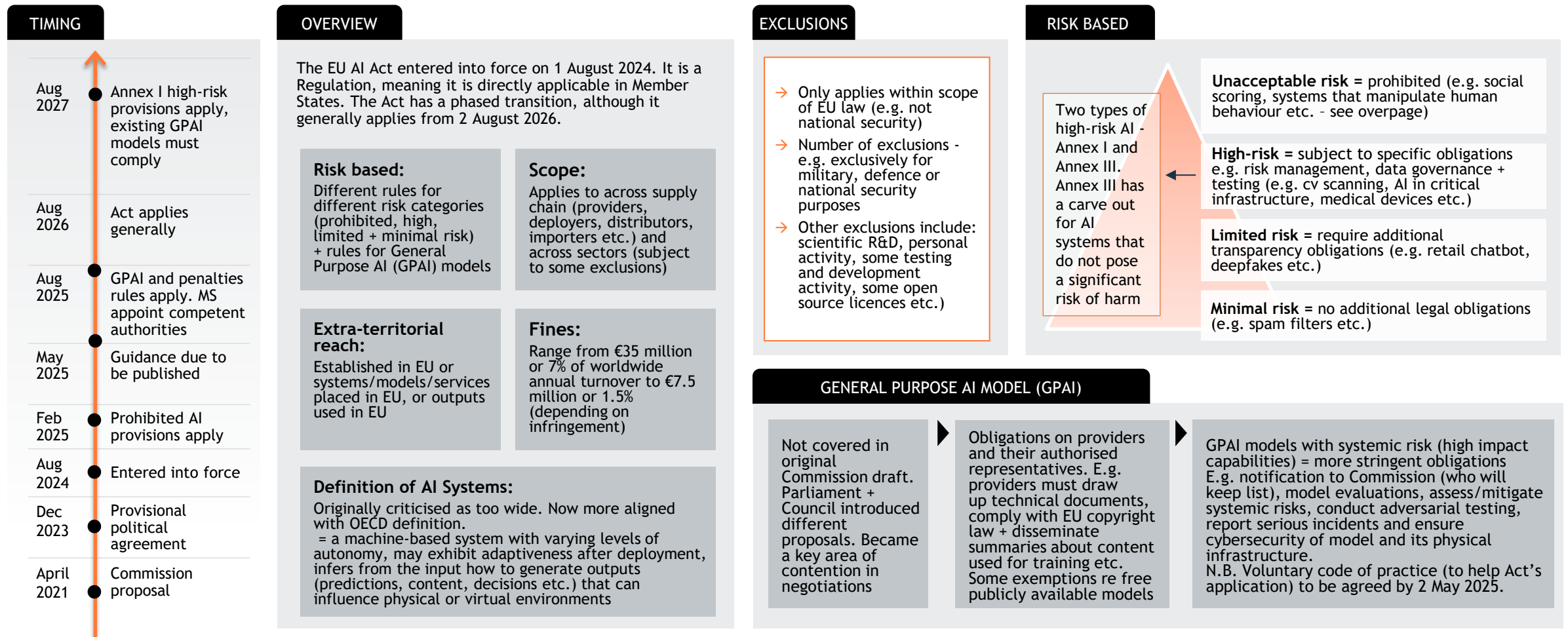


EU AI Act at a glance...

The EU AI Act entered into force on 1 August 2024. It has a phased transition and generally applies from 1 August 2026. Here we highlight some of the key aspects of the AI Act.



EU AI Act at a glance...

Overview continued...

WHO IS COVERED

Who is covered: AI Supply Chain

- **Provider:** develops AI system / GPAI (or has it developed) and places on market or puts into service under own name or trademark (whether for payment of free)
- **Authorised representative:** non-EU provider's local rep located/established in EU
- **Manufacturer:** product manufacturer defined under relevant New Legislative Framework sectorial legislation (where high-risk AI System is a safety component of product covered by framework) = should comply with provider's obligations
- **Deployer:** uses AI system under its authority (personal non-professional activity exemption)
- **Importer:** located/established in EU and places on market or puts into service an AI system that bears the name or trademark of non-EU person
- **Distributor:** any person in supply chain, other than provider or importer, that makes an AI system available on the EU market

HIGH RISK

High-risk AI Systems

- These include AI Systems which are:
1. products (or safety components of products) falling under the EU's product safety legislation (e.g. toys, aviation, cars, medical devices, lifts etc.) listed in Annex I + which require a 3rd party conformity assessment
 2. in the areas listed in Annex III and which pose a significant risk of harm to the health, safety or fundamental rights of natural persons. The list includes biometrics (where permitted), safety components in critical infrastructure, education, employment, essential services (both public e.g welfare, and private e.g. credit scoring and life insurance), law enforcement, migration, judiciary etc.
- They are subject to a wide range of obligations, including for risk management, data governance, notification and testing. Note: some exemptions for systems put on market / into service pre 2 Aug 2026.

UNACCEPTABLE RISK

Unacceptable risk - prohibited

- Some AI practices are prohibited, e.g. AI which:
- Deploys subliminal or deceptive techniques to materially distort behaviour and impair ability to make an informed decision (likely to cause significant harm)
 - Exploits the vulnerabilities of people (due to their age, disability, social or economic situation) to affect their behaviour (reasonably likely to cause significant harm)
 - Social scoring based on social behaviour or personal characteristics
 - Certain biometric categorisation systems and real-time biometric use in publicly accessible spaces for law enforcement unless strictly necessary for specific listed purposes and subject to conditions
 - Untargeted scraping of facial images from the internet or CCTV footage to create or expand facial recognition databases
 - Infers emotions in certain circumstances (work, education) except if for medical or safety reasons

AI @ SLAUGHTER AND MAY

As AI adoption increases, and governments and regulators across the globe grapple with how best to regulate AI, you need to ensure that you have considered and managed a wide range of issues when developing or deploying AI solutions.

Technological developments create new opportunities and risks, and regulators and legislators are considering how existing rules apply as well as how new laws and guidance will fit into the existing matrix of regulation.

Use the QR code to the right for exclusive access to a selection of our AI and tech-focused content, or alternatively you can visit: slaughterandmay.com/TechPortal/



GOVERNANCE

AI Office:

Sits in Commission - key co-ordination and monitoring role. Also oversees most advanced AI models (GPAI models) Fostering standards, testing practices + enforcement in member states. Advised by scientific panel of AI experts

AI Board:

Member states' representatives = co-ordination platform + advisory body to Commission (e.g. design codes of practice for GPAI models). Advisory Forum (industry reps etc.) gives technical expertise

National competent authorities:

Each member state should designate at least one notifying authority and one market surveillance authority (the latter being their single point of contact) by May 2025

SANDBOX

Foster innovation:

Each member state to establish at least one regulatory sandbox (can be joint). EDPS may also do so (for EU institutions)

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