EU AI ACT
ARE YOU READY?

AI ACT

The new AI regulation is expected to enter into force very soon, setting transparency and reporting obligations with a risk-based approach for companies placing an AI system on the EU market, or companies whose system outputs are used within the EU or EU-based deployers. The main criterion is the level of risk posed by the AI application to individuals or society as a whole.

The classification ranges from minimal risk to applications which are banned entirely. High-risk applications include services directly affecting citizens' lives such as critical infrastructure, education and vocational training, employment, healthcare, banking, among others, which will have to be put through strict assessment regimes.

Therefore, businesses need to evaluate whether their existing or planned AI application imposes an enhanced risk and follow the respective compliance steps and best practices.
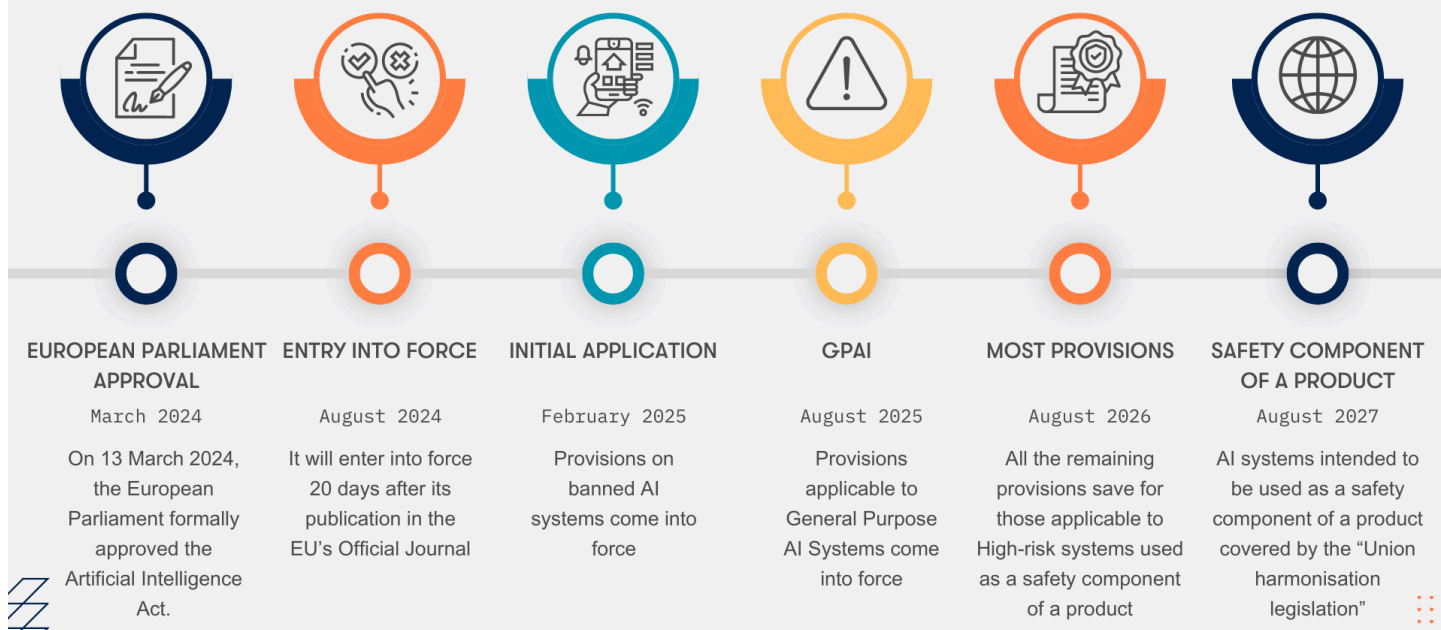
The AI Act will be published in the Official Journal of the EU and will enter into force 20 days after publication. It specifies a 24-month period for the majority of the Regulation's aspects.

However, it outlines shorter timelines for specific elements:

- 6 months for prohibitions
- 12 months for matters related to notifying authorities and notified bodies, governance, general-purpose AI models, confidentiality, and penalties
- For high-risk AI systems listed as safety components of a product, a longer timeline of 36 months is allocated.

AI ACT TIMELINE

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EUROPEAN PARLIAMENT APPROVAL	ENTRY INTO FORCE	INITIAL APPLICATION	GPAI	MOST PROVISIONS	SAFETY COMPONENT OF A PRODUCT
March 2024	August 2024	February 2025	August 2025	August 2026	August 2027
On 13 March 2024, the European Parliament formally approved the Artificial Intelligence Act.	It will enter into force 20 days after its publication in the EU's Official Journal	Provisions on banned AI systems come into force	Provisions applicable to General Purpose AI Systems come into force	All the remaining provisions save for those applicable to High-risk systems used as a safety component of a product	AI systems intended to be used as a safety component of a product covered by the "Union harmonisation legislation"

For high risk AI applications, providers must:

- Establish a risk management system throughout the high risk AI system's lifecycle;
- Conduct data governance, ensuring that training, validation and testing datasets are relevant, sufficiently representative and, to the best extent possible, free of errors and complete according to the intended purpose.
- Draw up technical documentation to demonstrate compliance and provide authorities with the information to assess that compliance.
- Design their high risk AI system for record-keeping to enable it to automatically record events relevant for identifying national level risks and substantial modifications throughout the system's lifecycle.
- Provide instructions for use to downstream deployers to enable the latter's compliance.
- Design their high risk AI system to allow deployers to implement human oversight.
- Design their high risk AI system to achieve appropriate levels of accuracy, robustness, and cybersecurity.
- Establish a quality management system to ensure compliance.

Reach Out

For questions, comments, or suggestions, email the team at tmt@cca.law