Regulation of AI
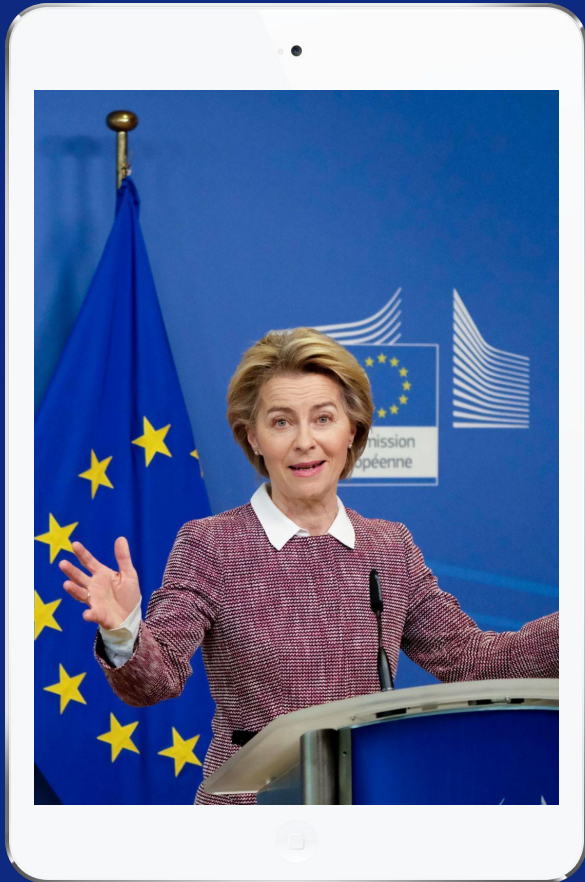## – The AI Act and its implications for LLMs

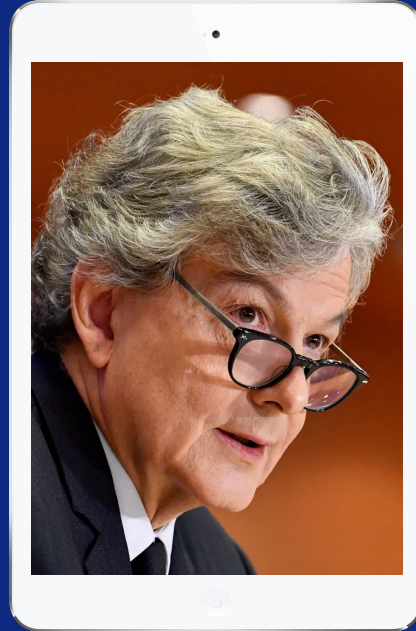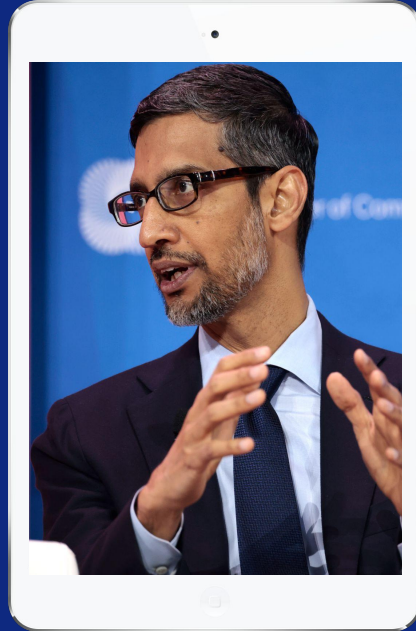**Nordic Perspectives on Artificial Intelligence**
October 13, 2023

Anna Sööder
Public Policy Manager

Schibsted

EU's proposal – The AI Act

**– with the ambition to create
a global hub for safe use of AI**

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Reminder:
AI is not unregulated

General Data Protection Regulation (GDPR)

Copyright - the new 'Publisher's Right' & Text and Data Mining-exemption

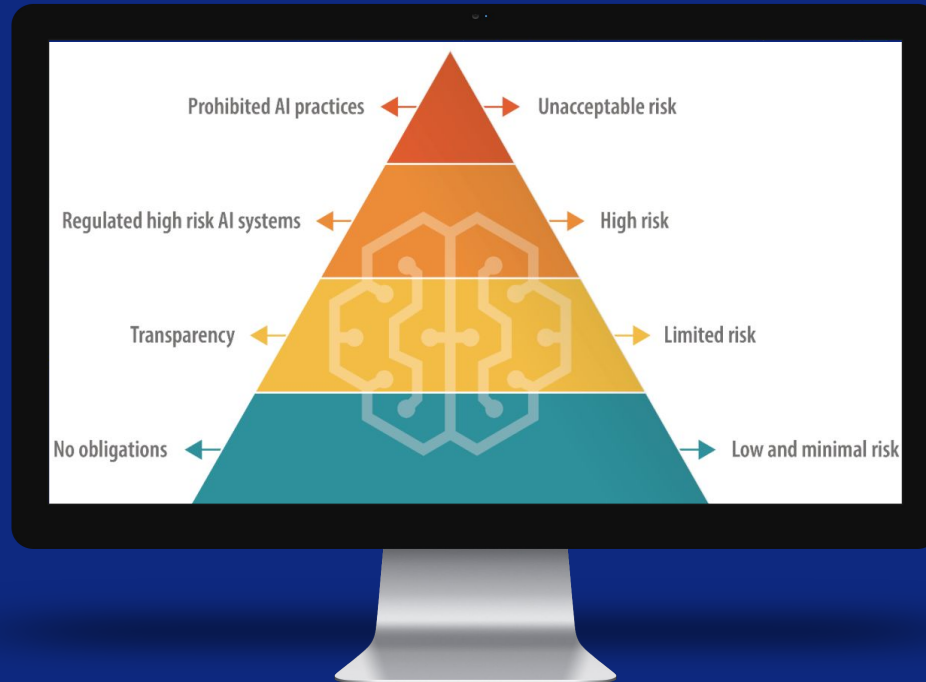**Digital Services Act & Digital Markets Act**
- Handling illegal content on platforms
- Obligations to act fair and non discriminatory for tech giants

Rules against discrimination of individuals

To what extent can these rules be applied to the new AI landscape?

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The AI Act - responsible use of AI-systems

Risk-based approach
– the higher the risk, the more obligations

Prohibited AI practices ← → Unacceptable risk

Regulated high risk AI systems ← → High risk

Transparency ← → Limited risk

No obligations ← → Low and minimal risk

Negotiations ongoing

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Proposed obligations for providers and users of LLMs

Council proposal

'General purpose AI system'

Rules for GPAI used within high risk use cases, such as
- requirement to make a risk assessment,
- keeping technical documentation for 10 years,
- obligation to provide information about the system downstream, etc.

Commission can later define new high risk use cases in delegated acts.

If instructions to a GPAI explicitly excludes all high risk uses, then no obligations.

EP proposal

'Foundational models'

Providers of FMs need to
- make a thorough risk assessment,
- only incorporate datasets that are subject to appropriate data governance to examine biases,
- design the model to achieve predictability, corrigibility, safety and cybersecurity,
- design the model to reduce energy use and waste, and increase energy efficiency,
- provide technical documentation for downstream users and authorities for a period of 10 years,
- register the model in a EU database,
- disclose a detailed list of the copyright protected data that any generative AI system has been trained on.

Compromise proposal?

Both alternatives unclear in scope and what obligations apply to whom.

A two-tier solution is being discussed – manage to limit the regulation of LLMs to high risk use cases only?

Unclear what the solution contains – more info after the end of October.

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Striking a balance between fostering innovation and the safe use of AI

Key messages from European companies relating to LLMs

The risk-based approach needs to be maintained - target use that pose a real and evident risk for damage

The proposal needs to be clarified - what obligations apply to whom in the AI valuechain?

Rules needed for LLMs used for high risk purposes - less rules for LLMs used for low risk use, for the AIA to not hinder innovation in Europe

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Last word from Anthropic's AI chatbot Claude

While I attempted to summarize the main points, without legal expertise I cannot provide an authoritative analysis of this lengthy and complex regulation. I would suggest consulting with legal professionals who specialize in EU AI law to understand the specific details and implications of this proposed regulation. Please let me know if you need any clarification on the aspects I summarized above based on my limited AI capabilities.

A\

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Thank you!

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