



Digital Europe Programme topics in support of the AI Act

INFO SESSION, 18 March 2024

DG CONNECT

Unit A.2 – AI Policy Development and Coordination

Unit R.5 – Programme Implementation

#DigitalEU

Meeting Agenda

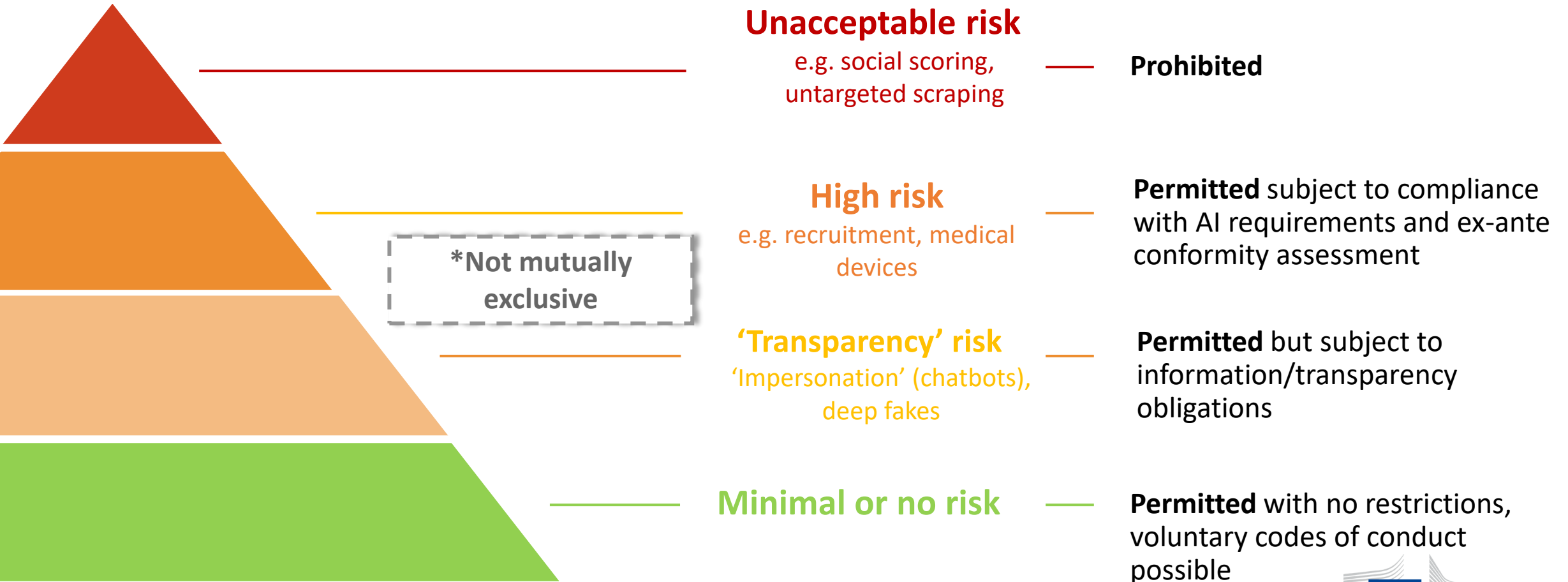
- 11:00 – 11:30 AI Act recap, the AI Innovation Accelerator preparatory action and Q&A on content
- 11:30 – 12:00 The AI regulatory sandboxes topic and Q&A
- 12:00 – 12:30 The Pilot action establishing AI Union Testing Facilities and Q&A
- 12:30 – 13:00 General Q&A on procedures and the application process

1. AI Innovation Accelerator preparatory action

DIGITAL-2024-AI-ACT-06-INNOV

[→ Link to the topic ←](#)

General background: the AI Act's risk-based approach





High-risk AI systems will have to comply with certain rules

High-risk use cases defined in Annexes II (embedded AI) and III:

Some examples from Annex III are related to

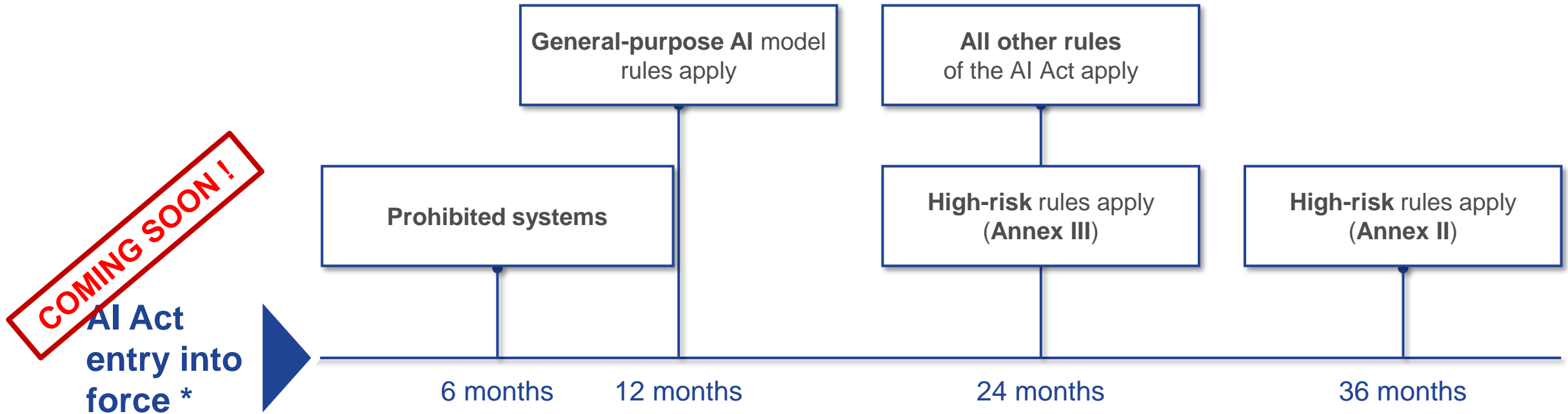
- **Certain critical infrastructures** such as road traffic, supply of water, gas, heating and electricity
- **Education and vocational training**, e.g. to evaluate learning outcomes
- **Employment, workers management**, e.g. to analyse job applications or evaluate candidates
- **Access to essential private and public services** and benefits, credit scoring
- **Remote biometric identification, categorization, emotion recognition; Law enforcement; border management; administration of justice and democratic processes**

Obligations for providers of high-risk AI systems:

- **Trustworthy AI requirements** such as data quality, documentation and traceability, transparency, human oversight, accuracy, cybersecurity and robustness
- **Conformity assessment** before placing the AI system on the market, to demonstrate compliance
- **Quality and risk management systems** to minimise risks for users and affected persons and to ensure compliance
- **Registration in an EU database**

This will be subject to **enforcement** to ensure that the high risk is effectively addressed.

The AI Act enters into application in a gradual approach



*Following its adoption by the European Parliament and the Council, the AI Act shall enter into force on the twentieth day following that of its publication in the official Journal.

Overview of the AI Innovation Accelerator

Objective

- Create guidance, tools, software, online courses and technical specifications to enable companies and public entities **to understand and comply with the AI Act.**

Targeted stakeholders

- Under-resourced companies, in particular SMEs and start-ups, and
- Under-resourced public authorities
 - Developing high-risk AI services/products or general-purpose AI models

Topic overview (II)

Funding:

- EUR 6 million (50%) over 2 years (grant for procurement)

Who should apply:

- Both public and/or private entities already developing solutions for compliance with digital regulation

Take into account, collaborate, and build on:

- **Sandboxes topic**, AI Office, Standardisation work and bodies, AI Pact, Testing and experimentation facilities (TEFs), AI factories, European Digital Innovation Hubs (EDIHs), AI on demand platform (AloDP), ...

Output and deliverables

1. **Materials and training courses** to aid in understanding the AI Act
2. Process frameworks, virtual infrastructure, tools, metrics, and benchmarks to aid the development of compliant AI systems
3. A **digital tool to classify AI systems** based on their risk level
4. A self-assessment tool/software for **conformity assessment, quality and risk management, and post-market monitoring**, specifically adapted for the needs of SMEs
5. **Technical & legal support** for SMEs and public authorities to use the frameworks, tools, and infrastructure developed
6. A publicly available **single digital platform**, to host the material and tools created under this action and the AI regulatory sandboxes → the 'one-stop shop'

2. AI regulatory sandboxes: EU-level coordination and support action

DIGITAL-2024-AI-ACT-06-SANDBOX

[→ Link to the topic ←](#)

Background: AI regulatory sandboxes in the AI Act

- **Definition – article 3:**

'AI regulatory sandbox' means a concrete and controlled framework set up by a competent authority which offers providers or prospective providers of AI systems the possibility to develop, train, validate and test, where appropriate in real world conditions, an innovative AI system, pursuant to a sandbox plan for a limited time under regulatory supervision.

Background (II)

- **Obligation:** by 2 years after entry into force of AI Act, **Member State's competent authorities** to:
 - establish (at least) one AI regulatory sandbox and/or
 - establish a joint AI regulatory sandbox with other MSs or
 - participate in an already existing AI regulatory sandbox
- **Other AI regulatory sandboxes may also be established**, including:
 - Regional or local sandboxes
 - EDPS sandboxes for EU institutions, bodies, and agencies

Background (III) – AI reg. sandboxes objectives

**Foster innovation
and AI excellence in the EU**



Legal certainty and compliance



**Accelerate access
to the EU market**



Proper risk mitigation



Competitiveness



**Regulatory learning
and knowledge-sharing**



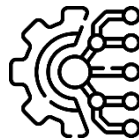
Incentives for providers to join a sandbox

Participation based on provider's needs may include various advantages:

- Supervision for AI development & testing (incl. in real world)



- Legal certainty and clarity on regulatory expectations (AIA and other legislation)



- Bespoke guidance on mitigating risks

- Flexibility in applying the AI requirements

- Support for conformity assessment



- Comfort from enforcement



- Legal basis for further processing of personal data (Art. 54 AIA)

- Proof of activity



- (If available) support services tools etc.)

(testing facilities)



EU role for the AI sandboxes

- The **AI Board** as framework for national competent authorities to coordinate their activities and cooperate
- COM to develop **modalities** for the establishment, development, implementation, operation and supervision of AI regulatory sandboxes (via implementing acts)
- COM to develop a **single interface** containing all relevant information related to sandboxes to
 - allow stakeholders to interact with regulatory sandboxes
 - raise enquiries with competent authorities
 - seek non-binding guidance on the conformity of innovative products, services, business models embedding AI technologies
- COM to **coordinate and facilitate cross-border cooperation** between NCAs

Overview for the AI regulatory sandbox support action under DEP

- **Objective:** support EU Member States and national competent authorities in establishing and operating the AI regulatory sandboxes, as well as coordinate their work at EU level
- **Close collaboration** with the AI Innovation Accelerator by:
 - Capitalising on the materials and tools created &
 - Testing them in the pilot AI regulatory sandboxes &
 - Publishing all material on the *single digital platform*
- **Funding:** EUR 2 million grant over 2 years (Coordination and support action)

Output and deliverables

1. **Common guidelines, frameworks, processes, and tools** for National competent authorities (NCAs) to establish, operate, and conclude the sandboxes
2. Supplementary supporting infrastructure/services – **training, technical and legal support** for NCAs
3. EU-level **coordination**, to avoid duplication of efforts
4. **Practical testing** of the output of this action and the AI Innovation Accelerator
5. **Analysis** of the accumulated experience in the sandboxes with recommendations
6. Publishing of all material and tools on the **single digital platform**

3. Pilot action for the establishment of Union Testing Facilities in AI

DIGITAL-2024-AI-ACT-06-TESTAI

[→ Link to the topic ←](#)

Background

- Enforcement of AI act will rely (in part) on the **market surveillance authorities**, in line with EU product safety legislation
- To support the market surveillance authorities, the AI Act obliges the Commission to designate one (or more) **AI testing support structures** (/Union Testing Facilities), with the role to:
 - Provide technical advice
 - Develop ways to analyse AI systems
 - Test AI products at the request of MSA or the Commission

Topic overview

Objective:

- Launch pilot project to prepare the approach to setting-up the EU AI testing support facilities and define the requirements to run them at full-scale

Targeted stakeholders:

- Focus on the needs of market surveillance authorities of Member States and the Commission (including the AI Office)

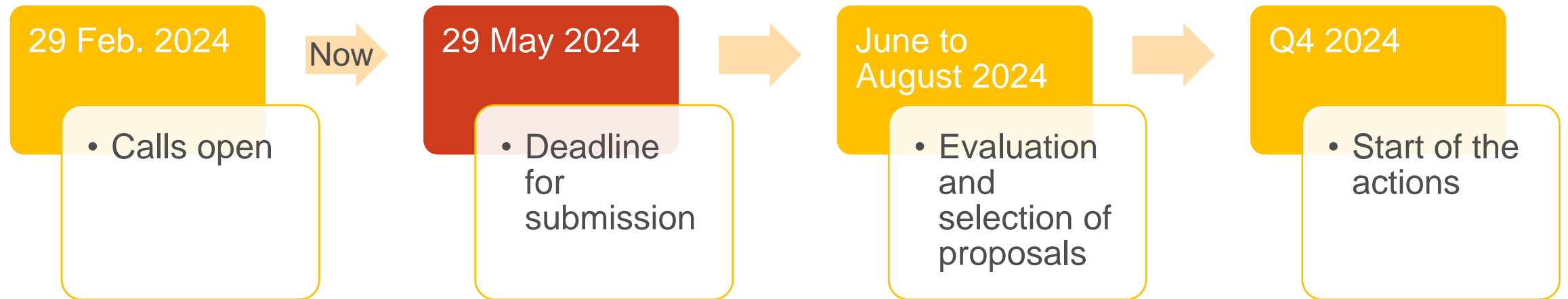
Funding:

- EUR 1.5 million, 2 years, Coordination and Support Action grant

Output and deliverables

1. Validation of the EU AI testing support structure concept
2. Development of **testing procedures and tools** to analyse AI systems for compliance (with potential to be used full-scale)
3. **Coordination** of market surveillance authorities through workshops and other activities
4. **Training** material for market surveillance authorities
5. Recommendations for the establishment of EU AI testing structures long-term, also by identifying needs and costs

Provisional timetable (for all actions)



Who can apply (for all actions)?

- The applicant (beneficiary and affiliated entities) must be:
 - legal entities (**public** or private bodies)
 - Established in an eligible country, i.e.:
 - EU Member State or EEA country or Associated countries to DEP (with limits)
- Security restrictions apply
 - entities established in associated countries and entities controlled from non-EU countries may participate, if they comply with the conditions set out in the Work Programme

Questions on the application process

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Thank you



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