



European startup and AI associations call for an AI Act that does not hinder innovation in the EU

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Presented by the European Commission in April 2021, the **Artificial Intelligence Act** (AI Act) has sparked a **heated debate** among policymakers, civil society and the business community. The rise of **certain AI techniques and concepts**, like General Purpose AI (GPAI) and generative AI (e.g. ChatGPT) have added further **complexity** to the discussion.

In this context, European startup and AI associations take the opportunity to remind policymakers the **fundamental elements that should be included in the AI Act to preserve the innovation capacity of European actors** - and ideally, to boost it further:

1. **A pragmatic and proportional approach to define high-risk AI systems.** AI systems should only be considered high risk if they meet two **cumulative criteria**: (I) they are deployed in a high-risk **sector** (II) they have a high-risk **use case**. When **looking at the use case, the proportionality principle should apply**: in a high-risk sector like justice, for example, the level of risk posed by a search engine that helps lawyers find judicial decisions is much lower than that of a virtual assistant suggesting a judge the length of a prison sentence.
2. **Sandboxes fit for startups and other innovative companies.** To maximize their usefulness and their take up by innovators, sandboxes should have certain **features**: (I) they should be **permanent**, rather than project-based ; (II) they should be run by authorities with an adequate level of **technical and market expertise**; (III) they should lead to a **presumption of conformity with the AI Act** for participants who successfully complete the tests ; (IV) they should be accessible on **clear and harmonized conditions** of application, use and termination; (V) they should be **adapted to the needs and resources of startups and SMEs**.
3. **A governance model that really involves stakeholders.** The creation of an **AI Office with an Advisory Forum** gathering representatives from civil society, business and academia is key to a dynamic and collaborative implementation of the AI Act. To **avoid any conflict of interest** and have **real impact**, the Advisory Forum should be appointed by an **independent committee** and there should be an **obligation for the AI Office to discuss the opinions of the Advisory Forum**.
4. **Future-proof requirements and obligations.** Policymakers should, where possible, avoid adding provisions for every new AI application that stirs up public attention. With the pace of development of AI, it is key to **focus on provisions that are universal enough to be valid at least until the first revision of the AI Act**. ChatGPT is a case in point. As the Commission's proposal already contained obligations for generative AI, policymakers should build on such provisions, rather than creating new ones, regulating in line with the risk-based approach applied throughout the text.

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