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Conversations
FOR TOMORROW

DRAGOŞ TUDORACHE

Former Member of the
European Parliament –
Rapporteur on the AI Act

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GUIDING AI TO THE RIGHT PATH

Dragoş Tudorache is a former member of the European Parliament and Vice-President of the Renew Europe Group. He also serves as Chair of the Special Committee on Artificial Intelligence in a Digital Age (AIDA), and the LIBE rapporteur on the AI Act.

As well as artificial intelligence (AI) and new technologies, his interests in the European Parliament include security and defense, transatlantic issues, the Republic of Moldova, and internal affairs. Dragoş is currently based in Brussels, Belgium.

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Executive Conversations

RELEVANCE OF THE AI ACT

Why do you think the EU felt there was a need to draft an AI Act?

AI will change the world. It will have a huge impact on mankind, much more than any other technology to date. While we already see the great potential benefits of AI, it also brings significant risks. There are also broader risks linked to the way our democracies and societies function, and the elements of truth and trust, which are so fundamental for the social contract within our societies.

The European Parliament recognized the importance of conversational AI early on and the Commission President committed to bringing legislation forward. Given the speed at which AI evolves, society needs some signposts to know where to take it.

Most companies working with AI already had general principles, codes of conduct, or self-regulation in place. There were guidelines outlined by UNESCO, OECD, and even by the European Parliament. But we realized that these measures were insufficient to mitigate the very real risks, such as discrimination bias, etc.

We needed to put stronger safeguards in place that command respect and, ultimately, help society to trust in the interaction with this technology, hence the decision to formulate the policy.

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A key goal of the AI Act is to keep humans in the loop when it comes to AI. Why do you think that is important?

No matter how sophisticated or smart a machine is, it's still a machine. We can't take the recommendations of a machine on trust. They have to be verified by a human supervisor.

The whole idea of making AI human-centric means that there must ultimately be human responsibility for the decisions or recommendations made by the model about any area that touches upon human rights or the broader values and interests of society.

However, this regulation only covers a small fraction of what AI comprises. There is a huge amount of AI used in industrial robotics, for example, such as for optimizing a production line. These applications of AI have nothing to do with my rights as an individual or social values and, therefore, are free of regulation and must remain that way.

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You have also come up with a robust set of metrics to identify potential AI risks. Can you help us understand your framework?

The AI Act categorizes applications or use cases of AI into three major categories. The first is prohibitions, which we see as contrary to the fundamental principles of our society and, therefore, are to be eliminated.

The medium/low-risk category generally encompasses transparency-related obligations, which don't require extensive regulation.

The bulk of regulation applies to high-risk AI. This is often sophisticated and highly competitive AI destined for market, and which must, therefore, meet strict standards.

Those obligations are, again, roughly classified into three buckets, one of which deals with transparency related to the data that one uses to train, and other processes used in development.

Secondly, there is explainability: one must explain how the organization instructed and worked with the AI, and then how they handled documentation, registration, and so on.

Thirdly, one has to show the proof or evidence, which helps market regulators keep track of what goes on, and to support interaction with the companies as required. This proof is also important for helping the entities downstream to understand that the AI value chain is highly complex.

Hypothetically speaking, how would the AI Act address a low-risk system developing into a high-risk one?

This is a dynamic market with many changes, not all of which can be foreseen.

So, we try to do two things. The first is to make the obligation as technology-neutral as possible, i.e., to formulate them in such a way that they are

indifferent to the evolution of the technology. An obligation to provide the training data means the same thing irrespective of AI's use case, version, size, or the complexity of the machine.

Secondly, we keep the regulation alive to counterbalance the evolution of use cases from no or low risk to high risk, and vice versa.

We've introduced a scientific and advisory board for future decision-makers on AI in the EU, to alert us to changes in levels of risk for a specific use case.

Since we understand that the project will evolve, we have retained the annexes and the descriptions to be adaptable to modification of the technical criteria, such as the one used to describe the threshold of high risk.

BALANCING INNOVATION WITH REGULATION

Are you concerned that regulation will slow the pace of innovation?

Personally, I think predictability and simplicity can benefit our business environment.

" A sense of clarity and predictability will help organizations."

I also think that self-discipline alone will not be sufficient to manage AI.

However, to allow innovation to flourish, we must keep this regulation as light-touch as possible and support organizations in complying. While we may impose some rules, we also create facilitation and tools to help people and organizations comply with those rules.

I don't think this regulation will stop innovation, however. Rather, it will bring clarity and a necessary sense of direction. I spoke to a lot of venture capital firms who want assurance that, when they commit capital to a project, it will meet certain standards. A sense of clarity and predictability will help organizations.

What do you say to those who suggest that the burden of regulation falls much more heavily on startups and other smaller companies than on large, established companies?

Yes, we were very aware that big tech can afford the measures required to conform much more easily than smaller organizations. They just hire a couple more lawyers or compliance officers. But smaller companies don't have those resources, and we wanted to level the playing field as much as possible.

Consequently, there are special provisions for small- and medium-sized enterprises (SMEs), which are exempt from some of the heavier parts of the regulation.
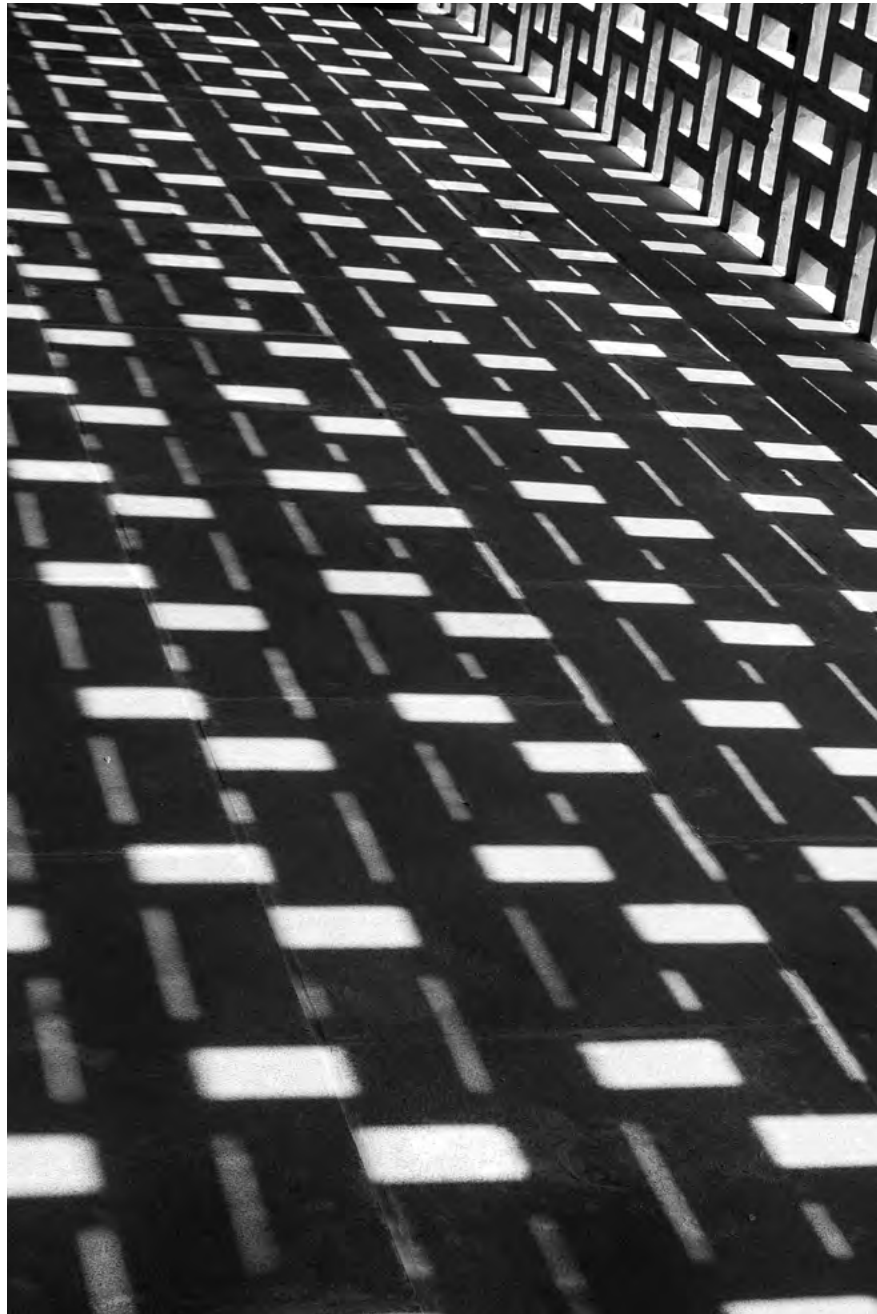
FOR COMPLIANCE, SELF-REGULATION IS THE KEY

How should large organizations look at self-regulation itself as they develop and deploy their AI systems?

It can be done in three different ways. First, there's self-assessment, which means a lot of the investigation and checking has to come from our own analysis.

Then there's a provision for codes of conduct. This is also a way of co-generating compliance and giving organizations a nudge towards exercising self-restraint and self-discipline, even outside of the stricter parameters of the obligations of the law.

Thirdly, and very importantly, comes the regulation of the foundational models. AI is a fluid technology, and there's still a lot that we don't understand about it. It takes time to develop a framework of standards that we can expect organizations to understand and adhere to.

"SELF-DISCIPLINE ALONE WILL NOT BE SUFFICIENT TO MANAGE AI."

THE FUTURE OF AI AND REGULATION

Which skills will future lawmakers require to understand the algorithmic future?

We'll probably need to use AI to legislate in the future. I see a future where we'll actually have to rely on AI to regulate AI. During the past 3-4 years of working on AI, I've talked to lawmakers in all corners of the world, and we all face the same challenge. We must be prepared to educate ourselves and then accept the new methods we have learned. We shouldn't be ashamed to admit that we need to know more. We need to go through this learning phase before we consider the bigger questions around regulation.

The future will bring many more challenges of this nature. Lawmakers globally will need to explore new forms of regulation and organizations must adapt to them, so that we can proceed to a productive future with AI as a great ally.

The views expressed in this interview do not represent the official position of the European Commission.

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