

# EU AI Act at a glance.

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Need to know about the first-ever comprehensive legal framework on Artificial Intelligence worldwide.

Spearheading the regulatory efforts, the EU AI Act aims to set stringent standards and regulations, ensuring the responsible and ethical development, deployment, and use of AI systems. By targeting high-risk AI applications, the EU AI Act ensures stringent compliance measures to guarantee safety, reliability, and accountability.

The act emphasizes the importance of human oversight, striking a balance between technological advancements and human control. Furthermore, the EU AI Act prioritizes ethics in AI development, requiring transparency, bias mitigation, and fairness to foster public trust in AI technologies.

**As the global benchmark for AI regulation, the EU AI Act sets a precedent for other nations and prompts discussions on AI governance and the ethical implications of technological progress.**

# Scope

The EU AI Act employs a risk-based approach, applying regulations to AI providers and users within the EU, irrespective of their location, with a focus on heightened safeguards for high-risk AI systems.

# Objectives

- Ensure a high level of protection for individuals and businesses.
- Foster trust in AI technologies.
- Facilitate innovation and competitiveness in the AI



# The regulation identifies specific AI systems as high-risk:

## High-Risk AI Systems

- **critical infrastructure** management (e.g., electricity, water)
- **law enforcement** and judicial decision-making
- **Migration, asylum and border control** management
- **biometric identification** and categorization (e.g., facial recognition)
- **employment, workers and HR management**
- **education** and vocational trainings (e.g., admissions, assessments, grade prediction)
- **financial credit** scoring
- **medical devices** (for diagnosis and treatment)
- access to **public services and benefits** (e.g., insurance, banking, credit)
- **safety components** (e.g. in vehicles, toys)

These systems must adhere to stringent requirements and undergo conformity assessment:

## Requirements for high-risk AI Systems

- **implementation of a comprehensive risk management system** to identify, assess, and mitigate potential risks associated with the AI system.
- **ensuring high-quality data** inputs to enhance the reliability and accuracy of the AI system's outcomes.
- **incorporating mechanisms for human oversight** to supervise and intervene in AI system operations, ensuring accountability and ethical use.
- **ensuring transparency** by providing clear information on the purpose, capabilities, and limitations. Traceability measures ensure the ability to identify and understand system outputs.
- **maintaining comprehensive documentation** and records related to the design, development, and operation of the high-risk AI system to facilitate regulatory oversight.
- **mandatory reporting of serious incidents** and breaches to the competent authorities, ensuring timely response and mitigation of potential harms.

# The EU AI Act prohibits certain AI practices considered harmful, such as:

## Prohibited AI Practices

- **social scoring and behavioural manipulation**
- **exploitation of vulnerable groups** (e.g., age, disability)
- systems that allow **unauthorized access to sensitive data**
- **emotion recognition** at work or in education
- **indiscriminate collecting of facial images** for facial recognition purposes
- **biometric classification systems** using sensitive attributes
- **predictive policing** applications
- Utilization of **real-time biometric identification by law enforcement** in public settings

## Penalties & Enforcement

Be aware of the strict penalties for non-compliance, enabling authorities to impose fines and take corrective actions to uphold the regulations governing AI systems, depending on the infringement and size of the company.

- **Violations of the prohibited AI applications:** up to €35m or 7% of the offending company's global annual turnover
- **Non-compliance with data and data governance and transparency requirements:** up to €20m or 4% of the offending company's global annual turnover
- **Providing incorrect, incomplete or misleading information:** up to €5m or 1% of the offending company's global annual turnover
- **For most other violations:** up to €10m or 2% of the offending company's global annual turnover



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