

# EU AI Act is in force

What you need to know to comply with the world's first comprehensive AI law.

The EU AI Act is a risk-based approach, applying regulations to AI providers and users within the EU. The focus lies on heightened safeguards for [high-risk AI systems](#).

The EU AI Act has been in force since August 1, 2024. With some exceptions, the law will be fully applicable 24 months after its entry into force.

Companies need now to engage with the EU AI Act, as it can have significant implications, and penalties for non-compliance. Early understanding and adaptation to the regulations are crucial to minimizing compliance risks and leveraging opportunities in AI-driven value creation.

## Objectives

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



# EU AI Act is in force

## Do you need to adhere to the EU AI Act?

Critical questions to consider:

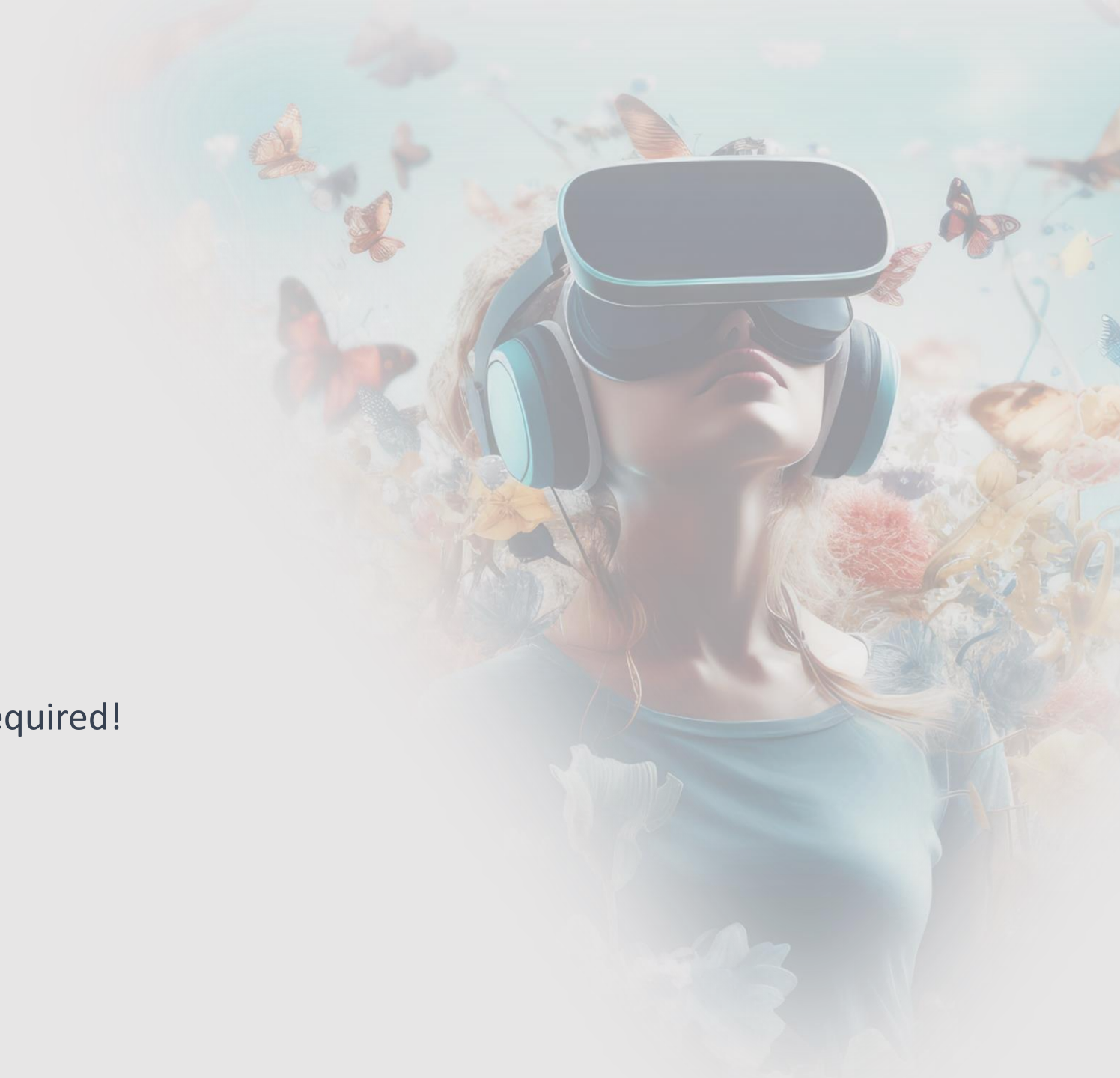
1. Do we offer AI systems within the EU?
2. Are we based in the EU and using AI systems?
3. Is the output of our AI systems being utilized in the EU?

If you answered yes to any of these questions, compliance with the EU AI Act is required!

## What is the impact of the EU AI Act on organizations outside the EU?

Organizations outside the EU will be impacted if:

- Your organization develops or utilizes AI within the EU.
- You provide AI-powered services to individuals in the EU.
- Your AI processes data related to individuals in the EU.



# EU AI Act is in force

## Key dates for implementation

### 1 August 2024:

- The EU AI Act is in force

### 2 February 2025:

- Provisions on prohibited AI practices apply

### 2 August 2025:

- Obligations and penalties for providers of general-purpose AI models apply
- Deadline for member states to appoint regulatory authorities

### 2 August 2026

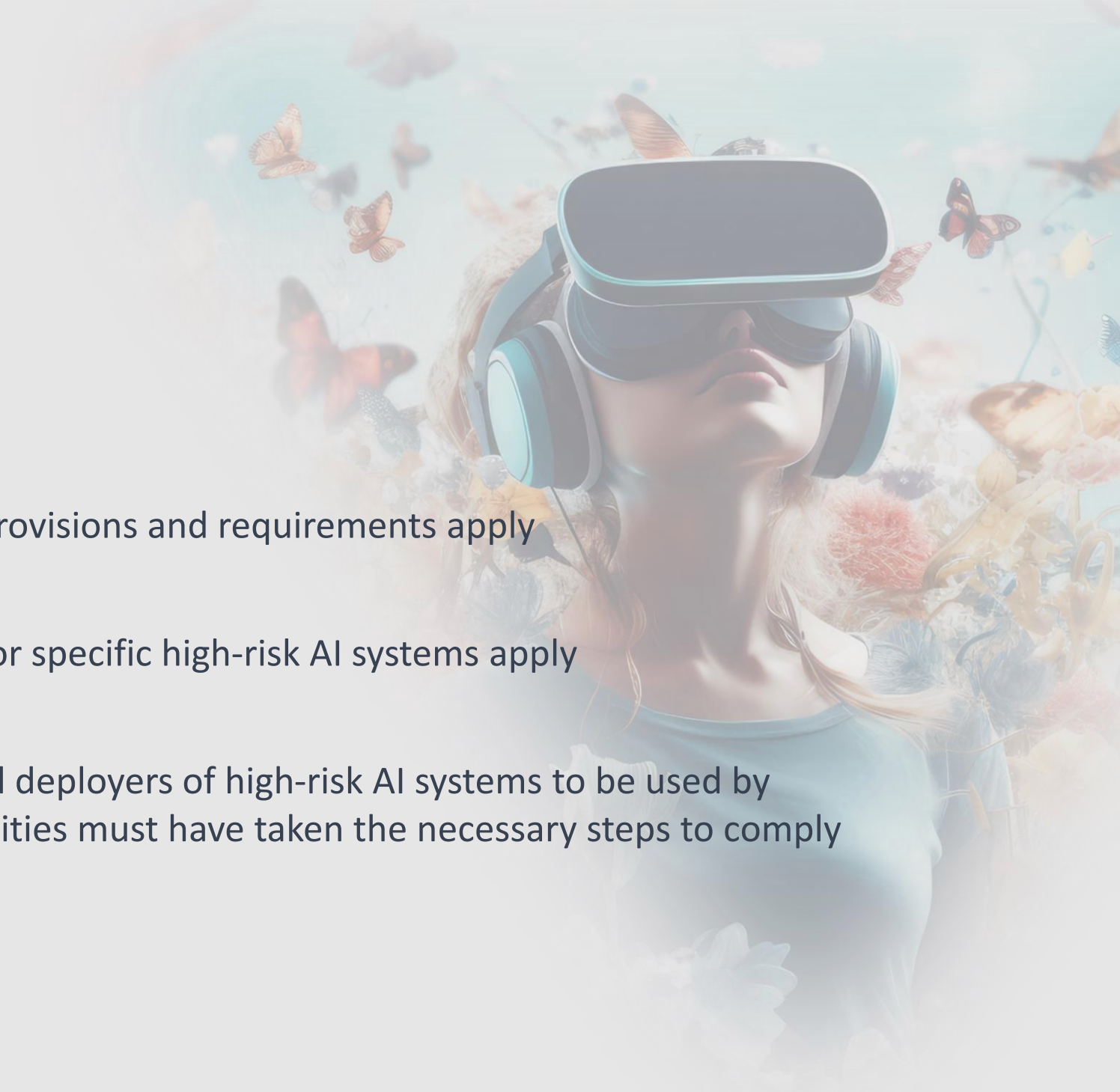
- Majority of provisions and requirements apply

### 2 August 2027

- Obligations for specific high-risk AI systems apply

### 2 August 2030

- Providers and deployers of high-risk AI systems to be used by public authorities must have taken the necessary steps to comply

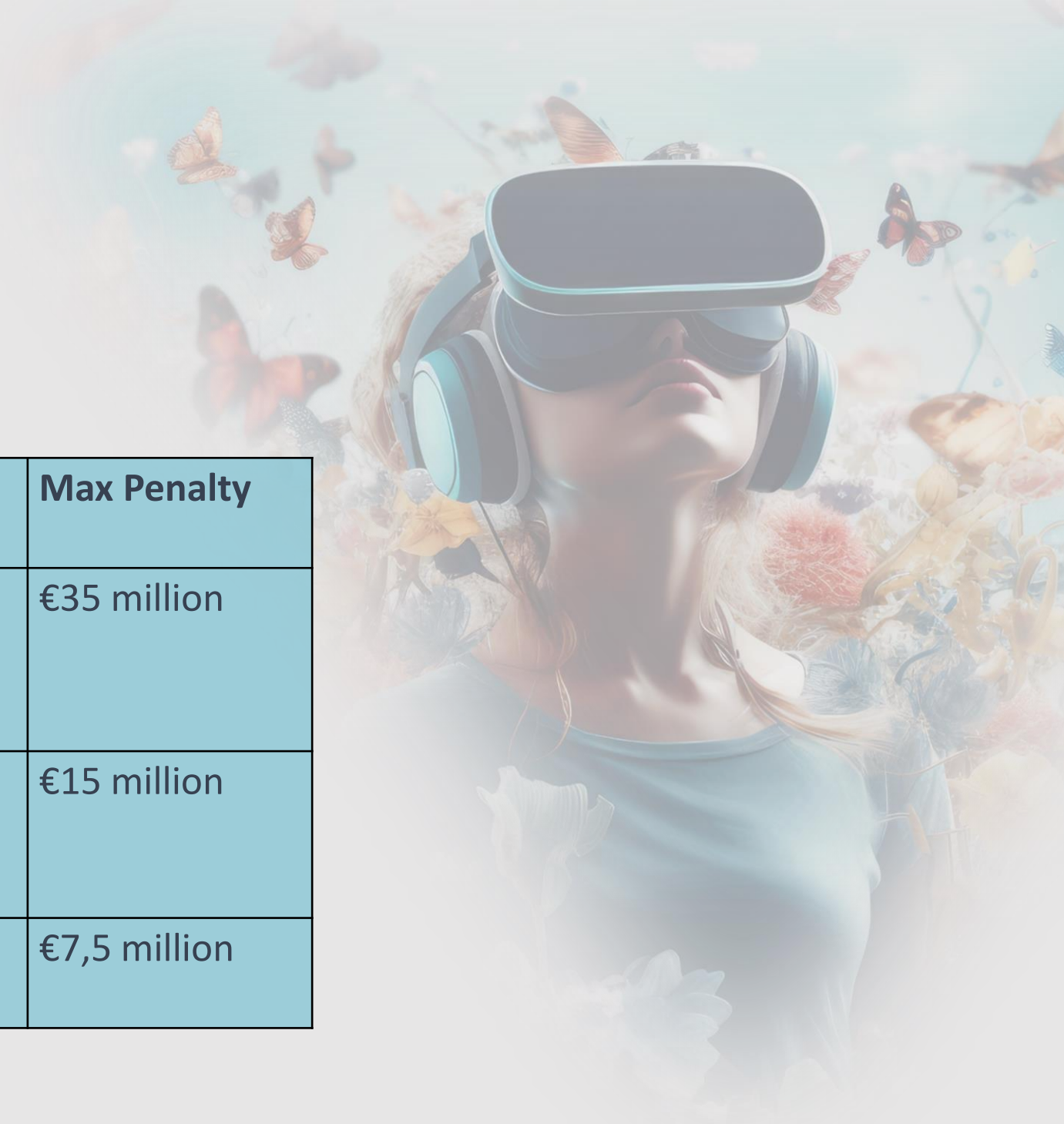


# EU AI Act is in force

## Penalties

	Companies (% of total worldwide annual turnover for the preceding financial year)	Max Penalty
non-compliance with the prohibition of artificial intelligence practices	7%	€35 million
non-compliance with data governance and transparency requirements relating to high-risk AI systems	3%	€15 million
providing false or misleading information to national competent authorities	1%	€7,5 million

For detailed information [click here](#).



# EU AI Act is in force

## High-Risk AI Systems

The regulation identifies specific AI systems as high-risk, that are deployed in/for

- **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)
- **education and vocational trainings** (e.g., admissions, assessments, grade prediction)
- **employment, workers and HR management**
- **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

- **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.

# EU AI Act is in force

## Prohibited AI Practices

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

- **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**.

