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Rise of AI and Laws around the World

Regulating it

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ABSTRACT

Industries and societies all over the world are being rapidly changed by artificial intelligence (AI). As AI technology develops, it offers new opportunities and challenges for governments to control its use. This paper examines the rise of AI and the international legal frameworks governing it.

The emergence of AI has raised questions about its potential ethical and legal ramifications. By putting rules in place that control the creation and use of AI, governments and international organizations are attempting to allay these worries. These regulations seek to strike a balance between encouraging innovation and In terms of AI regulation, the United States and the European Union are at the forefront. In the US, a number of states have passed legislation addressing a range of AI-related issues, including data privacy, accountability, and transparency. Regulations addressing the effects of AI on transparency, security, and privacy have also been put in place in the EU. Many of these laws will be covered in this essay, and we'll also look at the data use and artificial intelligence laws already in place in India and preserving privacy and public safety.

Keywords: Artificial Intelligence, Data, Personal Data, Privacy, Laws, Technology.

I. INTRODUCTION

Recently an AI robot developed by a startup called 'DoNotPay' became the world's first lawyer robot to defend a human in a court proceeding. Not only that but it is also going to face a lawsuit for practicing law without a degree. If this is not enough to show the growth of AI in recent years, another AI chatbot developed by OpenAI's called ChatGPT is so advanced that it can answer almost all your questions related to any field instantly. Not only that but it has already passed many of the top exams of the world and it is only in the testing phase. These examples are enough to predict the impact AI is going to have on almost every profession and the field of law is no different. Impact of AI in the field of law is going to be huge as it can very quickly and efficiently go through a lot of data and find the required information be it an old precedent or law. So it becomes very important to have laws in place that regulate the development and deployment of AI technology so it can be properly implemented in different fields. But before

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we learn about these regulations, we first need to understand what is AI.

(A) What is Artificial Intelligence and How it works?

Artificial intelligence (AI)² is the capacity of machines or computer programmes to carry out operations that ordinarily call for human intelligence, such as speech recognition, image interpretation, and decision-making.

In order to analyse data and generate predictions or decisions based on that analysis, AI uses algorithms and statistical models. Large amounts of data can be used to train these algorithms, enhancing their accuracy and performance over time. Rule-based systems and machine learning systems are the two broad categories into which AI systems can be divided. A computer programme is made to adhere to a set of predefined rules in a rule-based system in order to carry out a particular task. A computer programme is created in a machine learning system to learn from data and enhance its performance over time. This is accomplished by providing the programme with a lot of data and letting it find patterns and predict the future using that data. supervised learning, unsupervised learning, and reinforcement learning are additional categories for machine learning systems.

Data³ is essential to the creation and application of AI. AI systems require extensive data training before they can learn and make decisions. The accuracy and performance of an AI system can be significantly impacted by the quality, quantity, and diversity of the data used to train it.

Large datasets are used to train AI models so they can recognise patterns and predict the future. The model's performance and accuracy can be significantly impacted by the type and quantity of data used to train it. To make sure an AI model is accurate and trustworthy after it has been trained, it must be tested and validated. To assess the model's performance and spot any biases or errors, a different data set must be used.

AI models can grow and learn over time, but they require access to fresh data to do so. The model can learn from new experiences and adjust to changing conditions by receiving fresh data.

II. LAWS GOVERNING AI AROUND THE WORLD

Increase in use of AI technology around the world has led to emergence of many laws and

² Jake Frankenfield, Artificial Intelligence: What It Is and How It Is Used, Investopedia, (Jul. 06, 2022), <https://www.investopedia.com/terms/a/artificial-intelligence-ai.asp>.

³ The Importance of Data in Artificial Intelligence (AI), ROOTSTRAP,(Dec. 02, 2021), <https://www.rootstrap.com/blog/the-importance-of-data-in-artificial-intelligence-ai>

regulations governing the same. Some of the prominent laws are discussed below.

1. European Union

The European Union over the years has introduced many laws and regulations that deal with data collection and data sharing. It covers both personal and large scale data and provides detailed provisions to be followed by data collection institutions by all members nations of the European Union. Some of the leading acts and laws are as follows:

2. AI Act 2021

The Artificial Intelligence (AI) Act⁴ of the European Union is a significant piece of legislation that aims to establish a framework for the advancement and application of AI in the European Union. The AI Act uses a risk-based approach to regulate AI, classifying the risk of AI systems into four categories (unacceptable, high, limited, and minimal). Strict regulatory requirements, such as conformity assessments, testing, and certification, will apply to high-risk AI systems, such as those used in healthcare and transportation.

The AI Act outlaws specific AI practices that pose unacceptable risks, such as developing deep fakes or using AI to manipulate human behavior or biometric data for surveillance. The AI Act, which focuses on ensuring high standards of data quality, privacy, transparency, and accountability, is a comprehensive regulatory framework for the development and deployment of AI in the European Union. While defending the rights and interests of individuals and society at large, it is anticipated to foster innovation and confidence in AI systems.

3. General Data Protection Regulation (“GDPR”)

In May 2018, the European Union (EU) put into effect the General Data Protection Regulation (GDPR). It is intended to safeguard the personal information and privacy of EU citizens and residents. Any organization, regardless of location, that manages or processes the personal data of EU citizens is subject to GDPR. Although Artificial Intelligence (AI) is not specifically mentioned in the General Data Protection Regulation (GDPR), it is still relevant when AI systems process personal data.

Here are some significant GDPR provisions:

- **Consent:** The GDPR mandates that organizations obtain individuals' explicit and clear consent before processing their personal data. The consent has to be freely given, precise, well-informed, and clear.

⁴ Explainer: What is the European Union AI Act? , REUTERS,(Mar. 22, 2023), <https://www.reuters.com/technology/what-is-european-union-ai-act-2023-03-22/>

- The appointment of a Data Protection Officer (DPO) is necessary for some organisations (DPO). The DPO is in charge of overseeing the organization's adherence to the GDPR and providing guidance on data protection issues.
- Data Subject Rights: According to the GDPR, people have a number of rights regarding their personal information, including the ability to view, update, and delete it. Additionally, people have the right to request that their data be transferred to another organisation and to object to the processing of their data.
- Organizations are required by the GDPR to have a lawful basis for processing personal data. This includes handling personal information in order to create and hone AI systems. Additionally, businesses need to make sure that the personal information they use for AI is pertinent and kept to a minimum.
- Organizations are required to notify individuals and data protection authorities of a data breach within 72 hours.
- Organizations must have written data processing agreements with third-party data processors that specify how the data will be processed and what security precautions will be taken.
- Data Protection Impact Assessments (DPIAs): Businesses are required to carry out DPIAs before processing any personal data that poses a significant risk to the rights and liberties of individuals.
- Penalties: The GDPR includes stiff fines of up to 4% of an organization's annual global revenue or €20 million for noncompliance (whichever is greater).

While the provisions of GDPR are very apt in protecting personal data and same cannot be deduced for large scale data, non-personal data and data hold by large organizations. Other than that the General Data Protection Regulation's (GDPR) main drawback is that it can be challenging to enforce, especially against businesses outside the EU. Furthermore, some of its provisions lack clarity, which has caused some confusion among organizations and data protection authorities. Additionally, the GDPR is criticized for placing an undue burden on small and medium-sized businesses (SMEs) and for possibly impeding innovation in some fields, such as AI. Last but not least, some contend that the GDPR's severe penalties for non-compliance may be excessive and may have unintended effects.

4. Free Flow of Non-Personal Data in 2018

The Free Flow of Non-Personal Data (FFNPD) aims to remove barriers to the movement of

non-personal data across borders within the EU. Data that does not relate to an identified or identifiable natural person is referred to as non-personal data. The act provides that regardless of where they are located within the EU, data storage or processing service providers must comply with the regulation when processing non-personal data.

The FFNPD also forbids EU member states from putting limitations on where data is stored or processed within the EU. As a result, member states cannot mandate that data be processed or stored within their own borders. The FFNPD supports the creation of uniform standards and file formats for non-personal data in order to encourage system and service interoperability⁵. For the creation of AI systems that must access and process data from various sources, this can be especially crucial.

Overall, the FFNPD promotes the free flow of non-personal data within the EU, encourages the creation of universal standards and formats, and necessitates cooperation between member states, all of which have an indirect impact on the development and use of AI systems. These rules may make it easier for AI systems to be developed that need a lot of data from various sources across the EU. The Free Flow of Non-Personal Data Regulation may have the drawback of weakening the protection of personal data by opening a loophole that allows businesses to transfer personal data while masquerading as non-personal data. Additionally, it might make it harder for member states to control how data is processed and stored within their borders, which could result in a loss of control over sensitive data and important infrastructure.

5. Data Governance Act, 2022

DGA promotes data sharing by individuals as well as businesses by creating a coherent and trusted ecosystem. Users voluntarily share their data through neutral data brokers. The goal is to create a single European data space, or market, where sensitive business data and personal data alike are secure and where businesses can easily access an almost infinite supply of high-quality industrial data, supporting growth and adding value while reducing carbon and environmental footprints.

It ought to be a place where EU law can be effectively enforced and where all data-driven goods and services abide by the pertinent EU single market standards. The DGA aims to make it simpler for businesses, especially small and medium-sized ones, to access and use data while also facilitating data sharing between public and private entities. Clear standards for data quality are established by the DGA, which is essential for the creation of precise and trustworthy AI

⁵ Sarah Lewis, Definition Interoperability, TechTarget,(Feb, 2019), <https://www.techtarget.com/search/apparchitecture/definition/interoperability>.

systems. The Act requires that the data used in AI systems be precise, pertinent, and current.

In terms of Data protection and providing data sharing services, Article 11⁶ of the act mentions that the providers are barred from using the data they have collected and provide services for any other purpose. It can only be put at disposal of data sharing services and data users.

6. Data Act 2022

Data Act⁷ deals with data collected by manufacturers by machines they designed which provide them with exclusive data only available to them in that field. These manufacturers then gain a monopoly over the data and then leverage it to sell at higher prices to users. This proposed regulation aims to promote business-to-government data sharing in an emergency situation as well as voluntary business-to-business data sharing. To make data access and use easier, the proposed Data Act also examines the current intellectual property rights framework.

III. UNITED STATES OF AMERICA

The use of artificial intelligence in the United States is not currently covered by any specific federal laws (AI). However efforts are being made at both federal as well as state level to regulate the use of AI in different fields like automated Vehicles, mobile software, health, food and drugs etc. Nevertheless, some laws and regulations as well as some proposed legislation that would control the use of AI have an impact on the creation and implementation of AI systems. While there is lack of coordinated efforts on all fronts, individuals agencies have taken steps to regulate use of AI in their field. For Example, The Department of Transportation is continuing its efforts to enable AI's safe integration into the transportation system and to adopt and implement AI-based tools into internal operations, research, and citizen-facing services in response to the increasing prevalence of AI-based automated vehicles.

1. Advancing American AI Act

2019 saw the introduction of the Advancing American AI Act⁸ in the US Congress. It aims to mitigate privacy, bias, and workforce development concern while also advancing the development and use of artificial intelligence (AI) in the United States. Research and development funding is made available by the Act for the public and private sectors, as well as for the creation of AI applications for the protection of national security. The Act requires the

⁶ Data Government Act, Regulation (EU) 2022/868 of the European Parliament and the Council of 30 May 2022.

⁷ Bertin Martens, How to fix the European Union's proposed Data Act, Brugel,(Dec., 14, 2022), <https://www.bruegel.org/blog-post/how-fix-european-unions-proposed-data-act#:~:text=The%20draft%20European%20Union%20Data,the%20data%20those%20machines%20generate.>

⁸ Text - S.1353 - 117th Congress (2021-2022): Advancing American AI Act, S.1353, 117th Cong. (2022), <https://www.congress.gov/bill/117th-congress/senate-bill/1353/text>.

President to create a national AI strategy that takes into account concerns like workforce development, privacy, and security.

The National Institute of Standards and Technology (NIST) must create and promote standards for the advancement and application of AI technologies in accordance with the Act. The Act mandates the creation of strategies to address prejudice and other ethical issues relating to AI, including the creation of instruments to check AI systems for prejudice. Section 6 of the act provides security and privacy guidelines that need to be implemented while developing AI. These also include guidelines for deployment of AI technologies and tools.

2. National Artificial Intelligence Advisory Committee (NAIAC)

The National Science and Technology Council (NSTC)⁹ in the United States established the National Artificial Intelligence Advisory Committee (NAIAC). The NAIAC's responsibility is to advise and counsel the NSTC on issues pertaining to American Artificial Intelligence (AI) research and development.

Among the NAIAC's specific responsibilities are:

- Advising on the creation of a national AI research and development strategy, including resource allocation and the naming of research priorities.
- Advising on the creation of AI-related laws and rules, such as those concerning ethics, security, and privacy.
- Supplying directions on the creation of training programs for the AI workforce to make certain that employees have the abilities and information required to work with AI technologies.
- Advising on the moral and societal effects of AI, including how it will affect job markets, social inequality, and how it will be used in decision-making.

The NAIAC is made up of experts in AI research and development from government, business, and academia. The committee's job is to advise the NSTC on issues like workforce development, ethical considerations, and societal and ethical implications of AI.

IV. INDIA

India is lagging behind when it comes to laws that specifically regulate development and distribution of AI technology. There are no laws that specifically deal with AI and its

⁹ NATIONAL AI ADVISORY COMMITTEE (US), Center for AI and Digital Policy, <https://www.caidp.org/resources/naiac/#:~:text=The%20Advisory%20Committee%20was%20established,AI%2C%20and%20AI%20workforce%20issues.>

implications but there are acts with collection, distribution and utilization of data both private as well as non- private data. Some of the laws that deal with AI related activities are as follows:

1. The Personal Data Protection Bill, 2019:

The Personal Data Protection Bill, 2019¹⁰, is a comprehensive piece of legislation designed to control how personal data is collected, stored, processed, and used in India. The PDP Bill affects how both public and private organisations in India process personal data. Even if the organisation processing the data is based outside of India, it also applies to the processing of personal data of individuals who are located in India.

According to the PDP Bill, personal data is any information that relates to a natural person and makes it possible for that person to be identified, either directly or indirectly. This includes sensitive personal information, such as information about a person's finances, health, biometrics, caste or tribe, and political or religious beliefs. A person's consent must be obtained before any personal data is collected or processed, and organisations are also required to make sure the data is handled legally and transparently. The bill also mandates that organisations grant people the right to view, update, and delete their personal data.

Certain categories of personal data must only be processed and stored in India, according to the PDP Bill. This includes private information about individuals as well as any other information that the government has designated as such. Section 26 of the talks about the establishment of Data Protection Authority. It states that DPA will be responsible for enforcing the provisions of the bill as well as promoting awareness about data protection issues. And In accordance with Section 14 of the act, data fiduciaries have a responsibility to implement data protection measures, carry out data audits, and report any data breaches.

2. National Strategy for Artificial Intelligence, 2018

The Indian government published a policy document in 2018 called the National Strategy for Artificial Intelligence (AI)¹¹ that outlines a vision for the advancement and application of AI in India. It includes a number of initiatives aimed at fostering innovation and building an enabling ecosystem for AI in India, and it offers a framework for the development of AI-related technologies and applications. The National Strategy places a strong emphasis on the requirement for greater funding for AI research and development in India. It describes a number of initiatives designed to promote AI innovation, such as the creation of AI research facilities

¹⁰ THE PERSONAL DATA PROTECTION BILL, 2019, Bill No. 373 Of 2019, Bill of Parliament, 2019(India)

¹¹ National Strategy For Artificial Intelligence, INDIAai, Government of India, <https://indiaai.gov.in/research-reports/national-strategy-for-artificial-intelligence>.

and the creation of a national AI portal. The National Strategy aims to promote the adoption of AI across various sectors in India, including healthcare, agriculture, education, and finance. It outlines initiatives aimed at creating awareness about the potential of AI and encouraging organizations to adopt AI-based solutions to improve efficiency and productivity.

The National Strategy for Artificial Intelligence provides a comprehensive framework for the development and use of AI in India. It aims to foster innovation, create an enabling ecosystem, and promote responsible and ethical use of AI technologies in various sectors.

3. The Guidelines for Responsible AI, 2020

The Ministry of Electronics and Information Technology (MeitY) in India published the Guidelines for Responsible AI, 2020 to offer a framework for the development and use of AI in a responsible and ethical manner. The objectives of the guidelines are to encourage openness, responsibility, confidentiality, and security in the creation and application of AI technologies in India. The Guidelines emphasize the need to adopt a human-centered approach to AI development and use, with a focus on ensuring that AI systems are designed to serve the needs and interests of humans. This includes taking into account factors such as safety, well-being, and privacy.

The Guidelines aim to promote non-discrimination and fairness in the development and use of AI systems. This includes ensuring that AI systems are not biased against individuals or groups based on factors such as race, gender, religion, or nationality.

V. CONCLUSION

The use of AI in almost every field is growing rapidly and the same needs to be regulated with proper laws and regulations so that it does not negatively impact the jobs and economy around the world. While it is necessary to make centralized laws in every country, different government agencies should also work diligently to find how it is going to impact their field. Regulations at international level are also required to deal with the transfer of personal data from one country to another as the right to privacy of citizens can be violated if not regulated.

Individuals should be provided with information on how their data is being used so that they can choose if they want to share their personal data. Given the central role of data in AI systems, the regulation of data use and access is critical.

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