



EU AI Act

Overview of potential Member States' resources

May 2024

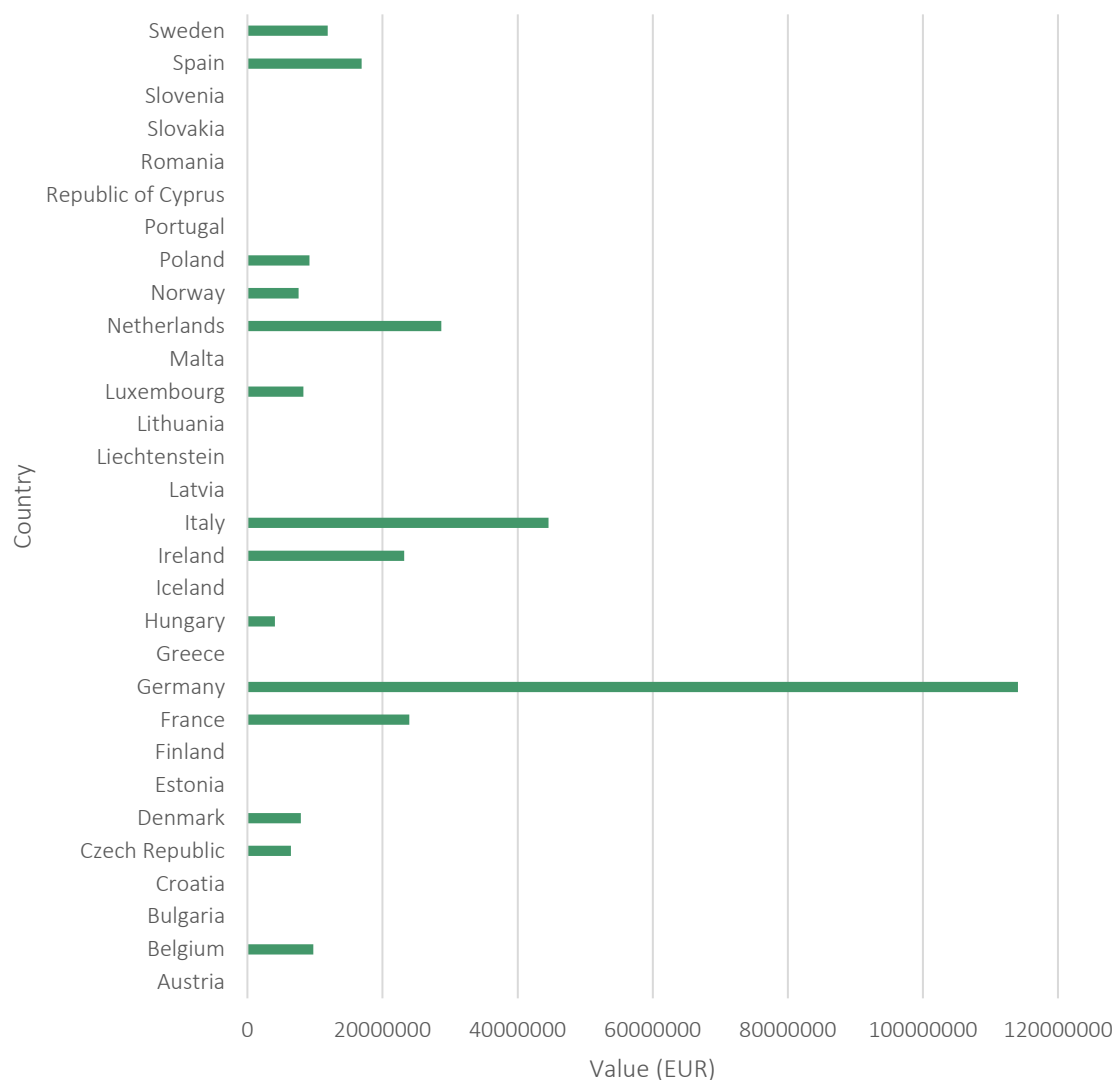
Introduction



The European Union Artificial Intelligence (AI) Act (EU AI Act) looks sets to come into force in 2024. The new rules apply to any company or organization that developments and/or deploys AI systems to individuals within the EU — in relation either to offering goods and services.

For the General Data Protection Regulation (GDPR), the European Data Protection Board (EDPB) gathered some statistics on resources made available by Member States to the supervisory authorities (SAs) from the European Economic Area (EEA). **This report looks at the likely resources to be made available by Member States to national supervisory authorities to enforce the EU AI Act based on these insights, including key takeaways for businesses in regard to EU AI Act enforcement.**

Supervisory Authorities Budget Above EUR 5M



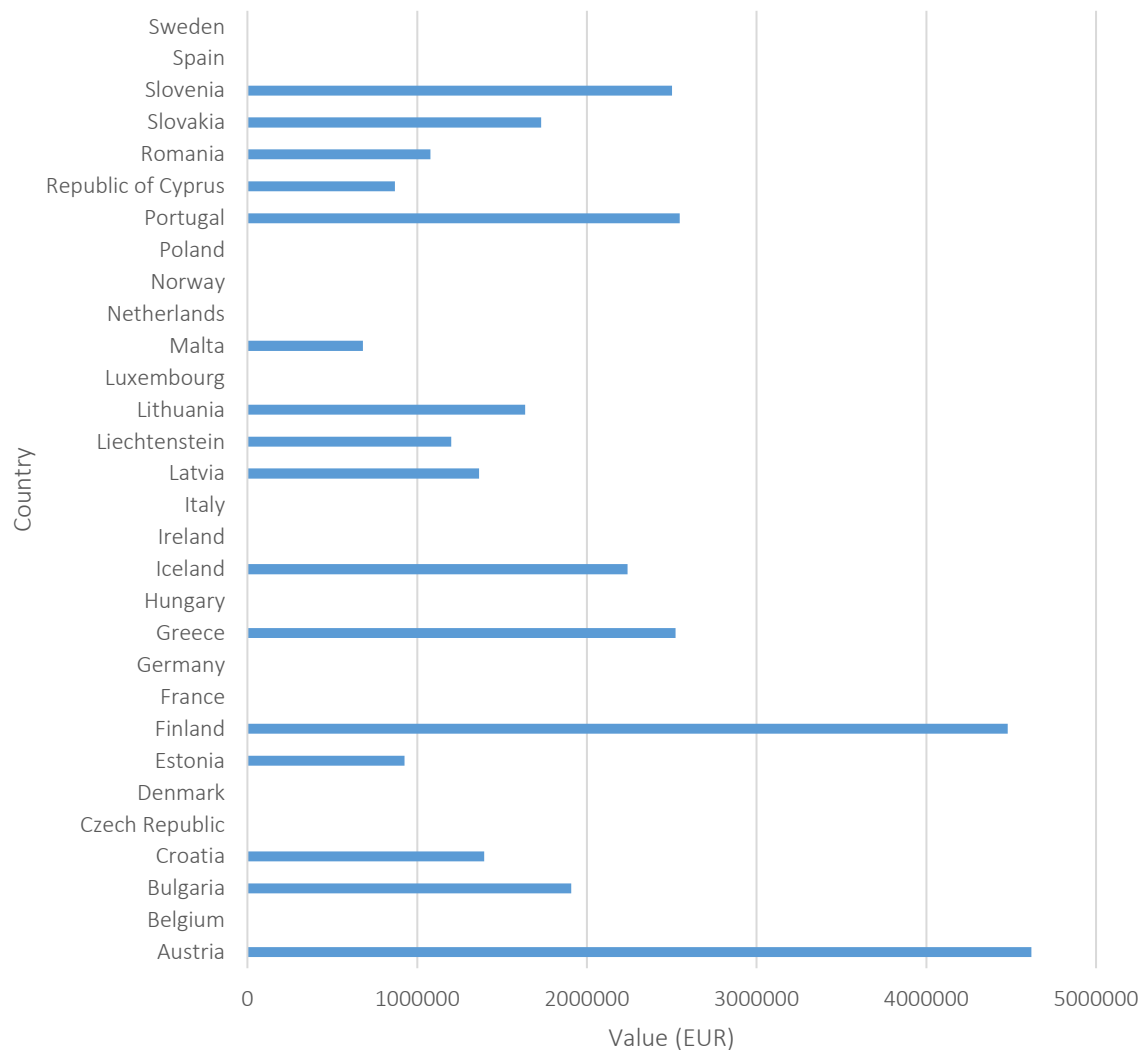
Differential Budget Allocation: The data reveals a significant variation in budget allocations among Member States for national supervisory authorities tasked with enforcing the EU AI Act. While countries like Germany (€114,086,030.00), France (€23,950,000.00), and Italy (€44,584,987.00) allocate substantial resources, others such as Bulgaria, Croatia, Cyprus, Estonia, Finland, Greece, Iceland, Latvia, Liechtenstein, Lithuania, Malta, Portugal, Romania, Slovakia, and Slovenia allocate zero budgets, suggesting potential challenges for effective enforcement in these countries.

Concentration of Resources in Key Players: Germany, France, and Italy emerge as the leading contributors to the budget pool, collectively providing a substantial portion of the financial resources. This concentration of resources in a few Member States could impact the uniformity and effectiveness of AI regulation enforcement across the European Union, potentially leading to disparities in implementation and oversight.

Northern and Western European Dominance: The Nordic and Western European countries, including Denmark, Netherlands, Ireland, Luxembourg, and Sweden, demonstrate a commitment to enforcing the EU AI Act by allocating significant budgets to their supervisory authorities. This regional dominance in financial contributions may influence the direction and priorities of AI regulation enforcement, potentially leaving Eastern and Southern European countries with fewer resources for effective implementation.

Challenges for Smaller Economies: Smaller economies, such as Belgium, Hungary, and Poland, allocate notable budgets but may face challenges compared to larger economies due to their relatively smaller resource pools. Ensuring effective enforcement in these countries might require strategic collaboration, resource-sharing, or additional support from the European Union to address potential disparities in regulatory oversight capabilities.

Supervisory Authorities Budget Below EUR 5M



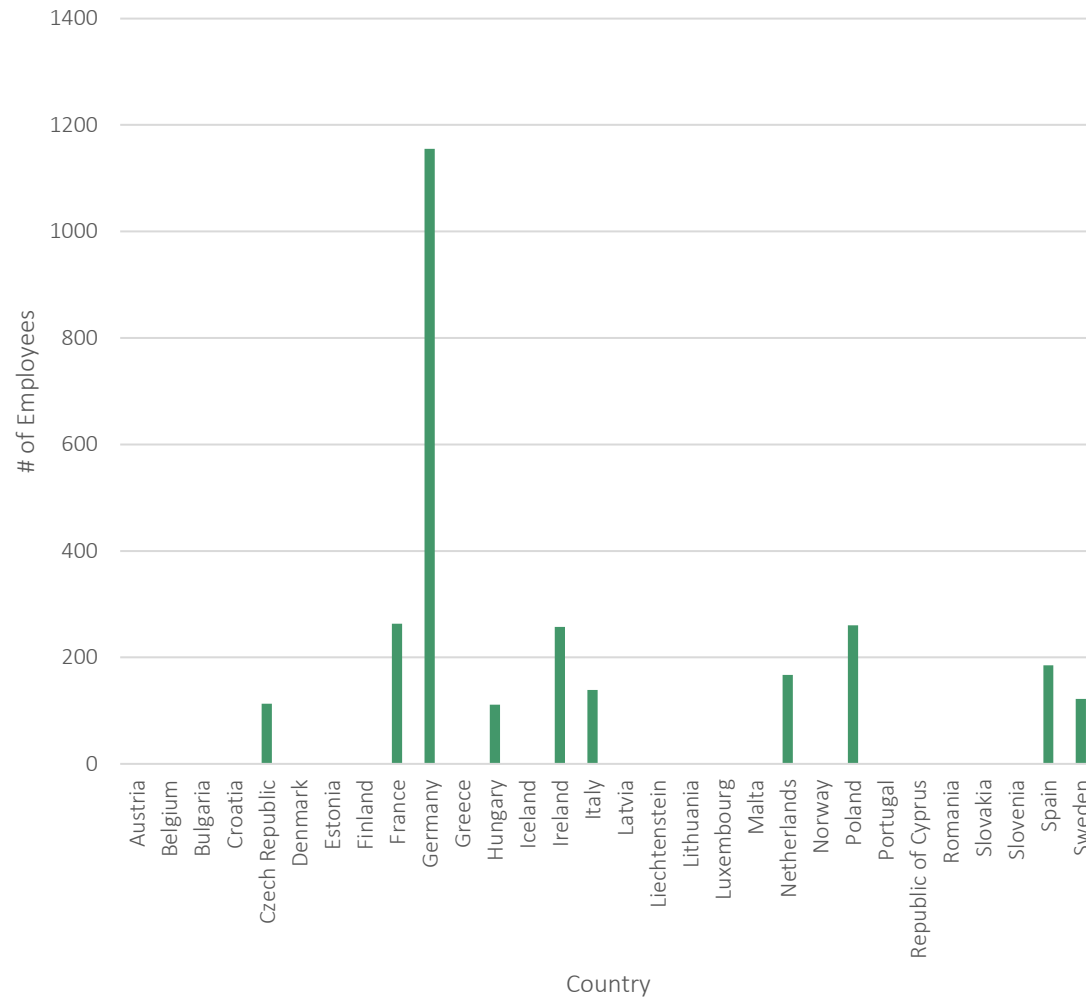
Varied Budget Allocations: The data reveals a diverse range of budget allocations among Member States for national supervisory authorities to enforce the EU AI Act. While some countries allocate substantial resources, such as Finland (€4,480,000.00), others like Belgium, Denmark, France, Germany, Ireland, Netherlands, Norway, Poland, Spain, and Sweden allocate zero budgets. This variance underscores potential disparities in the enforcement capabilities and priorities of AI regulation across the European Union.

Southern and Eastern European Commitment: Southern and Eastern European countries, including Greece, Hungary, Iceland, Latvia, Liechtenstein, Lithuania, Malta, Portugal, Romania, Slovakia, and Slovenia, demonstrate a commitment to AI regulation enforcement by allocating budgets, albeit below €5 million. This commitment may indicate a recognition of the importance of regulating AI technologies, even in countries with smaller economies.

Resource Challenges for Smaller Economies: Smaller economies, including Austria, Bulgaria, Croatia, Republic of Cyprus, Estonia, and Luxembourg, allocate budgets below €5 million. These countries may face challenges in adequately resourcing their supervisory authorities compared to larger economies, potentially impacting their ability to effectively enforce and oversee AI regulation within their jurisdictions.

Potential Collaboration Opportunities: With several countries allocating limited budgets, there is an opportunity for collaboration and resource-sharing among Member States. This collaboration could help address resource gaps, enhance expertise, and promote a more cohesive approach to AI regulation enforcement across the European Union, ensuring a level playing field for businesses and a consistent regulatory framework.

of Employees For Supervisory Authorities Above 100 Full-Time Employees



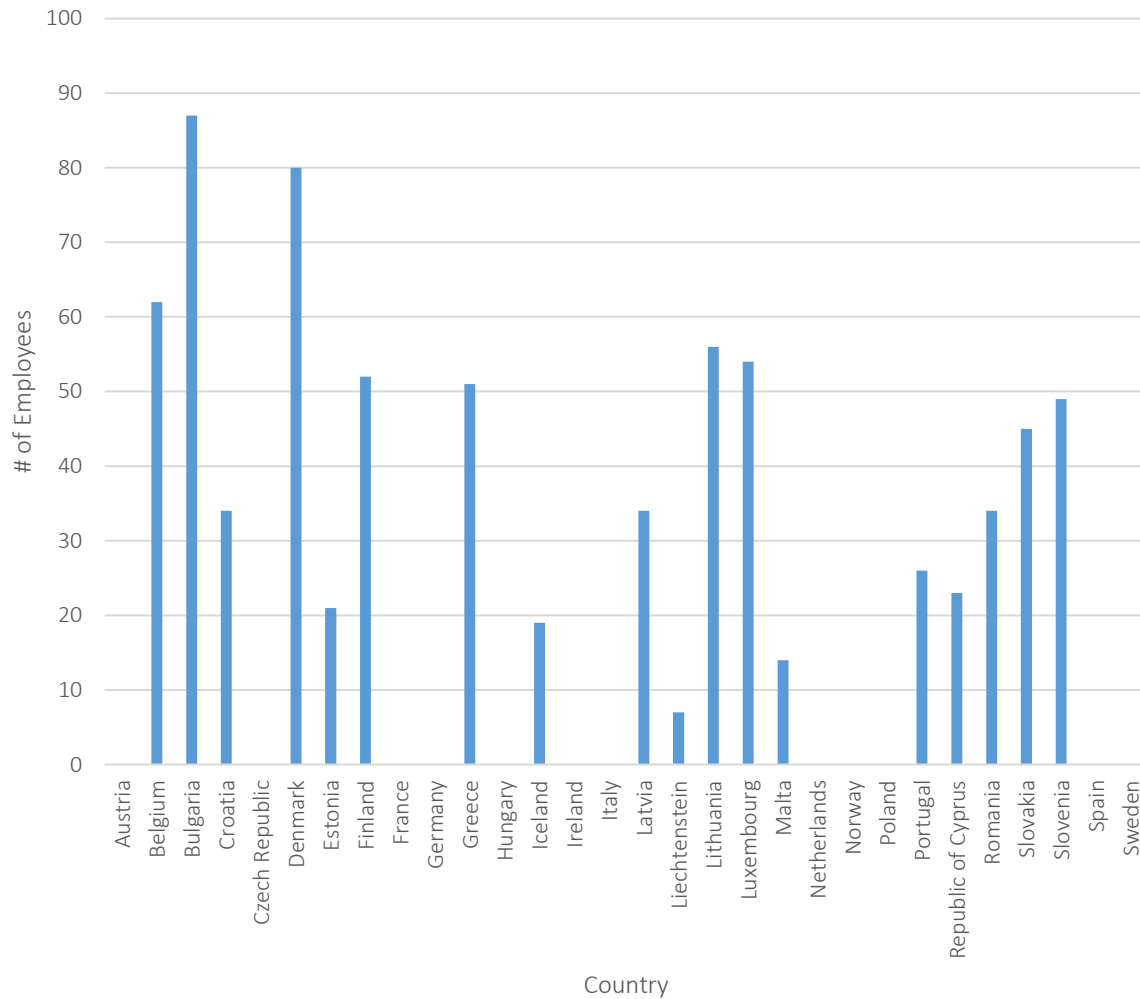
Significant Human Capital Investment in Germany: Germany stands out with a substantial commitment to enforcing the EU AI Act, as reflected in its allocation of 1,155 full-time employees (FTE) to its supervisory authority. This robust human capital investment suggests a strong emphasis on regulatory oversight and enforcement of AI activities within the country.

Variable Human Resource Commitments: While some countries, such as France (263), Poland (260), and Spain (185), allocate a notable number of FTEs to their supervisory authorities, others like Austria, Belgium, Croatia, Greece, Iceland, Latvia, Lithuania, Luxembourg, Malta, Portugal, Romania, Slovakia, and Slovenia show a commitment of zero FTEs. This variation highlights disparities in the human resource commitments among Member States, which may impact the efficiency and effectiveness of AI regulation enforcement.

Balancing Act for Mid-sized Economies: Mid-sized economies like Czech Republic (113), Hungary (111), and Sweden (122) allocate a moderate number of FTEs to their supervisory authorities. These countries appear to be making a concerted effort to strike a balance between allocating resources for effective AI regulation enforcement and managing their human capital in proportion to their economic size.

Strategic Focus on AI Oversight in Western Europe: Western European countries, including France, Germany, the Netherlands, and Spain, demonstrate a strategic focus on AI oversight by allocating significant human resources. This regional concentration suggests a shared commitment to robust regulatory frameworks and enforcement mechanisms, potentially influencing the direction of AI development and use in Western Europe.

of Employees For Supervisory Authorities Below 100 Full-Time Employees



Diverse Approaches to Resource Allocation: Member States display diverse approaches to allocating human resources for their supervisory authorities to enforce the EU AI Act. Some countries, such as Belgium, Bulgaria, Croatia, Denmark, Estonia, Finland, Greece, Iceland, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Portugal, Romania, Slovakia, Slovenia, and Spain, allocate human capital with fewer than 100 full-time employees (FTEs), reflecting a strategic decision to manage their resources efficiently.

Resource-Conscious Approach in Scandinavia: Nordic countries, including Denmark, Iceland, Norway, and Sweden, demonstrate a resource-conscious approach by allocating zero FTEs for supervisory authorities below 100 FTEs. This may suggest a focus on efficient governance structures and potentially relying on collaborative mechanisms or leveraging existing regulatory bodies to oversee AI activities.

Varied Commitments in Southern and Eastern Europe: Southern and Eastern European countries, such as Bulgaria, Croatia, Greece, Latvia, Portugal, Romania, Slovakia, and Slovenia, allocate varying numbers of FTEs below 100. This highlights a nuanced approach to resource allocation in these regions, potentially influenced by economic considerations, the scale of AI activities, and the need for effective regulation.

Balancing Act in Benelux: The Benelux countries—Belgium, Luxembourg, and the Netherlands—adopt a balanced approach, with Belgium allocating 62 FTEs, Luxembourg allocating 54 FTEs, and the Netherlands allocating zero FTEs. This suggests a varied but deliberate strategy among neighboring countries in managing resources for AI regulation enforcement.

Anticipate a risk-based approach to enforcement



Understand Varied Regulations: Acknowledge diverse AI enforcement across EU countries, with disparities in budgets and human resources. Tailor compliance strategies to local regulatory landscapes, recognizing differing expectations in Western, Southern, and Eastern Europe.

Navigate Regional Complexity: Recognize regional patterns in commitment to AI regulation. Adapt business strategies for compliance, considering the distinct regulatory environments in Western, Southern, and Eastern European countries.

Explore Collaboration Opportunities: In regions with limited enforcement resources, seek collaborative opportunities with local authorities. Proactive engagement can contribute to regulatory development, showcase commitment to responsible AI, and enhance compliance strategies.

Assess Scalability Challenges: Acknowledge potential scalability challenges for AI technologies due to varying enforcement resources. Conduct thorough assessments of regulatory landscapes in each market to ensure compliance with diverse requirements and expectations.

Prioritize Continuous Monitoring: Embrace a proactive approach to continuous monitoring of regulatory changes. As enforcement priorities evolve, businesses must adapt AI practices to comply with emerging requirements. Stay informed, agile, and ethical to navigate the dynamic landscape of AI regulation in the European Union.



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