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## White House Proposes Guidance for Regulation of Artificial Intelligence in the Private Sector

TOPICS: Artificial Intelligence, Machine Learning, US

The White House has published its <u>proposed regulatory principles</u> to govern the use of artificial intelligence ("Al") in the private sector (the Guidance). The Guidance sets out policy considerations that should guide regulatory and non-regulatory oversight of Al applications developed and deployed outside the Federal Government.

The Guidance, which focuses on "narrow" Al applications, refers to the promise and potential contribution of Al to both the economy and society. The main goal of the White House in this Guidance is to ensure that the US will maintain its status as a global leader in Al development. To that end, the publication instructs Federal agencies to avoid regulatory and non-regulatory actions that will needlessly hamper Al innovation. Before taking any action, agencies should assess the effects of potential regulations.

The guidance lists the main principles that should be taken into account when formulating regulatory and non-regulatory approaches to the design, development, deployment and operation of Al applications. Two of the most important principles, which regulators should borne in mind, are public trust and participation. The White House acknowledges that alongside the positive impact, Al could also pose risks to the rights and civil liberties of individuals and that the adoption and acceptance of Al applications will depend, to a significant extent, on public trust. Hence, the White House requires Federal agencies to promote public participation and awareness of the public, which will hopefully assist in promoting reliable and trustworthy Al applications.

Federal agencies are also required to conduct **risk assessments** and to weigh the full **societal costs, benefits and distributional effects** of developing and deploying specific Al applications. Agencies should pursue flexible approaches to Al regulation that will adapt to the rapid changes in the industry, taking into consideration, the international uses of Al applications in order to avoid a disadvantaged regulatory regime.

The Guidance also calls for **reducing barriers to the development and use of Al**. According to the Guidance, agencies should **increase public access to government data and models**, which can facilitate the training and development of Al applications. The White House also instructs federal agencies to engage with the private sector in the development of **voluntary industry standards for Al**. This will help agencies developing expertise in Al and might reduce the regulatory burden.

The White House also recognizes the importance of international cooperation in order for Al application to prosper and succeed. Hence, the reports calls for international regulatory cooperation

## Technology & Regulation Industry Spotlight



to promote consistent regulatory approaches applicable to AI, that will promote AI innovation, while protecting the rights and liberties of individuals.

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