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From:	General Secretariat of the Council
To:	Permanent Representatives Committee
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Subject:	*Preparation of the Competitiveness Council on 18 February 2019* Conclusions on the coordinated plan on artificial intelligence *- Adoption*

1. On 7 December 2018, the Commission submitted a communication to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions entitled "Coordinated Plan on Artificial Intelligence"[1], accompanied by the Coordinated Plan on the Development and Use of Artificial Intelligence Made in Europe - 2018[2] prepared by Member States (as part of the Group on digitising European industry and Artificial Intelligence), Norway, Switzerland and the Commission.

[1] Doc. 15641/18.
[2] Doc. 15641/18 ADD 1.

2. In order to reiterate the calls by the European Council and the Council for addressing emerging trends inter alia by putting forward a European approach to Artificial Intelligence, and to reaffirm the importance that the Council attaches to focussing on the innovative development and take-up of key forward looking trends including Artificial Intelligence, the Presidency prepared draft Council conclusions on the Coordinated Plan on the Development and Use of Artificial Intelligence Made in Europe.

3. The Working Party on Competitiveness and Growth (Industry) examined the Commission's communication and the Coordinated Plan and discussed the draft Council conclusions at meetings on 7, 14, 18 and 30 January 2019.

4. Further to the discussions at Working Party level, the Presidency included a number of changes to its previous proposal in order to reach a compromise. The Presidency considers that the text in the Annex strikes the right balance between the different interests and objectives of Member States.

   Changes compared to document 5721/19 are indicated in **bold underlined** for additions and in ~~strikethrough~~ for deletions.

   It should be noted that IE has entered a general scrutiny reservation, and LV a scrutiny reservation on point 12.

5. The Permanent Representatives Committee is invited to confirm the compromise text set out in the Annex and submit the draft conclusions for adoption by the Council (Competitiveness) at its session on 18 February 2019.

ANNEX

DRAFT COUNCIL CONCLUSIONS ON THE COORDINATED PLAN ON THE DEVELOPMENT AND USE OF ARTIFICIAL INTELLIGENCE MADE IN EUROPE[3]

THE COUNCIL OF THE EUROPEAN UNION,

RECALLING

- the Commission's communication of 13 September 2017 on Investing in a smart, innovative and sustainable Industry – A renewed EU Industrial Policy Strategy[4], highlighting Artificial Intelligence as one of the tools for upgrading industry for the digital age;

- the conclusions adopted by the European Council at its meeting on 19 October 2017[5], which highlighted the need to develop an approach to Artificial Intelligence at European level;

- the Council conclusions of 12 March 2018 on an EU industrial policy strategy for competitiveness, growth and innovation[6], which stressed that companies need a continued focus on the innovative development and take-up of key forward looking trends including Artificial Intelligence;

- the Ministerial declaration of 10 April 2018 on cooperation on Artificial Intelligence, signed by all Member States and Norway further to the Digital Day 2018 event;

- the Commission's communication of 25 April 2018 to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions on Artificial Intelligence for Europe[7];

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3 IE: General scrutiny reservation.
4 Doc. 12202/17.
5 Doc. EUCO 14/17, paragraph 11.
6 Doc. 7037/18.
7 Doc. 8507/18.

– the conclusions adopted by the European Council at its meeting on 28 June 2018[8], which invited the Commission to work with Member States on a coordinated plan on Artificial Intelligence, building on its recent communication;

– the Commission's communication of 7 December 2018 to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions on the Coordinated Plan on Artificial Intelligence[9];

– the discussions on Artificial Intelligence held in the Competitiveness Council and in the High Level Working Group on Competitiveness and Growth;

– the conclusions adopted by the European Council at its meeting on 13-14 December 2018[10], which underlined the need for the Single Market to evolve so that it fully embraces the digital transformation, including Artificial Intelligence,

1. WELCOMES the Commission's communication on the Coordinated Plan on Artificial Intelligence of 7 December 2018 and its annex entitled "Coordinated Plan on the Development and Use of Artificial Intelligence Made in Europe - 2018" prepared by the Member States, Norway, Switzerland and the Commission in the context of the work of the *Member States' Group on Digitising European Industry and Artificial Intelligence*; SUPPORTS the efforts of this Group in coordinating Member States' actions in the different policy areas; CALLS FOR stronger development, deployment and uptake of Artificial Intelligence applications in all economic sectors, with the aim of making Europe a global leader in Artificial Intelligence;

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8 Doc. EUCO 9/18, paragraph 20.
9 Doc. 15641/18.
10 Doc. EUCO 17/18, paragraph 2.

2. UNDERLINES the crucial importance of fostering the development and use of Artificial Intelligence in Europe by increasing investment in that area, reinforcing excellence in Artificial Intelligence technologies and applications, and strengthening research and innovation collaboration between industry and academia on Artificial Intelligence, in order to transfer quickly and efficiently new results and insights from research on Artificial Intelligence to industry and finally to markets, the public sector and consumers; RECOMMENDS the development of high-end applications in all economic sectors to foster economic growth and contribute to solving the world's biggest challenges from curing diseases to **energy transition,** fighting climate change and anticipating natural disasters, to making transport safer, fighting crime, and improving cyber security; ENCOURAGES the promotion and development of key enabling technologies and Artificial Intelligence applications, building on examples of more advanced areas such as healthcare, agriculture or **connected and** autonomous mobility;

3. WELCOMES the Commission's plan to create strong synergies between its Artificial Intelligence strategy and the Union's Space programme as both activities will mutually reinforce each other for the benefit of EU citizens and many industrial sectors; RECOGNIZES in particular that the exploitation through new Artificial Intelligence algorithms of the wealth of Earth Observation data collected by Copernicus will support several sectors of the economy with the creation of new, innovative products and services as well as critical applications to monitor and fight climate change;

4. STRONGLY ENCOURAGES start-ups, scale-ups and small and medium-sized enterprises (SMEs) and innovative companies to contribute to and benefit from the development and broadest uptake of Artificial Intelligence in the economy; STRONGLY EMPHASISES the need to ensure that every enterprise, small or large, high-tech or not, can grasp these digital opportunities, whether in relation to data, key enabling technologies or skills; therefore STRESSES the importance of assisting SMEs to innovate with Artificial Intelligence technologies through actions such as developing or testing and experimentation for example within application test-beds;

5. SUPPORTS the **broad** diffusion of and access to Artificial Intelligence capacity in each Member State, for example through the Artificial Intelligence-on-demand platform, the network of digital innovation hubs and clusters, as well as the network of centres of excellence, via the programmes proposed for the next Multiannual Financial Framework **(MFF)**, such as ~~the~~ Digital Europe, InvestEU, Horizon Europe and **the** Single Market Programme~~s~~**, without prejudice to the ongoing negotiations on the next MFF**; EMPHASIZES the importance of coordinated action in order to maximise the impact of investments made at European, national and regional level, including those supported by the European Investment Bank, in order to increase the competitiveness of European industry at global level**; STRESSES the importance of the programmes in the next MFF for the future development of Artificial Intelligence in the EU**;

6. STRESSES the need for more secure and high quality publicly and privately held data being available **with the requisite safeguards put in place** for the development of Artificial Intelligence technology and the creation of trusted common European data spaces that will for example enable the development of new products and services based on data including an interoperability framework and a governance of data sharing and re-use practices; CALLS FOR the development of secure solutions for giving easy access to data and the integrity of data; RECOGNISES the need to build up and strengthen core Artificial Intelligence capacities in the Union, including data resources, trusted data exchange mechanisms such as virtual warehouses of data and libraries of algorithms; UNDERLINES the importance of real-size reference sites for Artificial Intelligence testing and experimentation in the EU, in compliance with the EU legal framework;

7. IS AWARE OF the disruptive impact **and potential for transformation** that Artificial Intelligence will have on the current labour market, for example in industrial sectors; LOOKS FORWARD TO the report that will be delivered by the *High-Level expert group* on the impact of the digital transformation on EU labour markets in spring 2019 and to the contribution of social partners;

8. TAKES NOTE OF the shortages of ICT professionals, engineers, Artificial Intelligence specialists and other associated professionals in Member States; EMPHASISES the urgency of promoting a deeper understanding of the underlying concepts of digitalization and Artificial Intelligence, incorporating digital skills with a special focus on Artificial Intelligence ~~into the curricula of programmes for~~**at** all levels of education and, increasing the availability of high-quality ICT ~~curricula~~**programmes**, with ~~stronger~~**a** focus on automation, robotics and Artificial Intelligence as well as software reliability and security, in tertiary education; UNDERLINES the need for scaling up existing efforts, for example in cooperation with the European Institute of Innovation and Technology, to mature the ICT profession, vocational training and lifelong learning in the area of Artificial Intelligence while promoting gender balance and diversity within the sector; STRESSES the need for specific actions at Union level to retain Artificial Intelligence researchers and specialists in Europe, complementary to national measures; CALLS FOR a broader approach towards an education for Artificial Intelligence, science, technology, engineering and mathematics at all levels **and the training of professionals in the current labour market**;

9. CALLS on Member States and the Commission to exchange best practices on how to reinforce excellence and create ecosystems to retain and attract talents from within and to the EU, to support the development and uptake of Artificial Intelligence; WELCOMES the intention of the Commission to support Masters and PhDs in Artificial Intelligence, as well as the Commission's proposal to encourage the introduction of Artificial Intelligence modules in interdisciplinary joint degrees, for example in law or psychology areas combined with Artificial Intelligence;

10. ENCOURAGES public administrations in the EU to contribute to the development of Artificial Intelligence-enabled solutions and services and make them available to citizens and businesses with the aim of improving the efficiency and effectiveness of services delivered, inter alia through and in public procurement; WELCOMES the intention of the Commission to explore the use of Artificial Intelligence in the monitoring and enforcement of Single Market rules for goods, services and people, as well as in other public sector tasks; APPRECIATES the readiness of the Commission to assist public buyers willing to buy Artificial Intelligence-enabled and cybersecurity solutions and services, for example by setting up an assistance hub;

11. HIGHLIGHTS the importance of ensuring the full respect of the European citizen's rights by implementing ethics guidelines for the development and use of Artificial Intelligence within the European Union and at a global level, making ethics in Artificial Intelligence a competitive advantage for European industry; ~~SUPPORTS the Commission's effort to bring an ethical approach to the global stage; WELCOMES~~**TAKES NOTE OF** the **forthcoming** publication of ~~the first draft of~~ the ethics guidelines **which will be presented** by the **independent** *High Level Expert Group on Artificial Intelligence* and looks forward to ~~intensified discussions with a view to elaborating the final version~~**further pursuing this work**; **SUPPORTS the Commission's effort to bring an EU ethical approach to the global stage and** ENCOURAGES ~~the~~**its** promotion ~~of these guidelines~~ in ~~recent~~ international initiatives on Artificial Intelligence, such as that of the OECD and the International Panel on Artificial Intelligence;

12. UNDERLINES that all EU legislation should be fit for purpose and encourage the cross-border development and application of Artificial Intelligence-based technologies, and INVITES the Commission to take this objective into account when evaluating existing or considering new legislation; CALLS FOR reviewing**, where appropriate,** the existing ~~legal frameworks~~**relevant legislation** ~~including for anti-discrimination, safety, privacy and liability~~ in line with the principles of Better Regulation with a view to ensuring that ~~they are adapted~~**it is fit for purpose** to the new opportunities and challenges raised by Artificial Intelligence **including on issues such as safety, privacy and liability and decisions and actions taken without human interaction**; STRESSES the need for establishing appropriate cyber security requirements for Artificial Intelligence and for ensuring accountability and the protection of fundamental rights;[11]

13. SUPPORTS the efforts of Member States to place ~~European companies~~**the EU** among the drivers of Artificial Intelligence worldwide and **to this end SUPPORTS** the actions proposed in the Coordinated Plan as regards the exchange of best practices, the achievement of synergies and a closer and more efficient cooperation across the Union**; ENCOURAGES all stakeholders to participate in the development of standards for Artificial Intelligence technologies to increase competitiveness**;

14. ENCOURAGES Member States to put in place, by mid-2019, national Artificial Intelligence strategies or programmes, or to include Artificial Intelligence dimensions in other relevant strategies and programmes, by outlining envisaged investments and implementation measures; STRONGLY ENCOURAGES all economic actors to step up investments in Artificial Intelligence;

[11] LV: Scrutiny reservation.

15. STRESSES that the Council, on the basis of the work carried out by the *Member States' Group on Digitising European Industry and Artificial Intelligence*, should play a key role in monitoring the implementation and annual updating of the *Coordinated Plan on Artificial Intelligence*; UNDERLINES the ~~horizontal role~~**task** ~~given to~~**of** the Competitiveness Council, supported by the High Level Working Group on Competitiveness and Growth, with respect to mainstreaming industrial competitiveness across all EU policy areas, including in the field of Artificial Intelligence~~ while acknowledging that certain aspects of Artificial Intelligence fall under the remit of other Council formations~~.