WHEN AI MEETS PI: AI ASSESSMENT AND GOVERNANCE FROM A PRIVACY PERSPECTIVE

Thursday, 12 September
10:00-11:00 am PST
1:00-2:00 pm EST
7:00-8:00 pm CET

When AI Meets PI

AI Assessment and Governance from a Privacy Perspective

osano

Meet Your Speakers

Scott Hertel

Founder and CTO

Osano

Emily Jones

Partner, Data Privacy &
Technology Law

Simmons & Simmons

Christopher Götz

Partner, Digital Business,
Privacy, AI

Simmons & Simmons

osano

Today's Agenda

- **State of the Legal Landscape**

- Why Address AI Now?

- **Privacy vs. AI: Let's Compare**

- AI Assessment

- **AI Compliance and Governance**

osano

Poll #1

What is Your Biggest Concern Around Privacy and AI?

01 Sharing PI with third-party AI tools

02 Building AI products that aren't privacy-forward

03 AI governance not a business priority

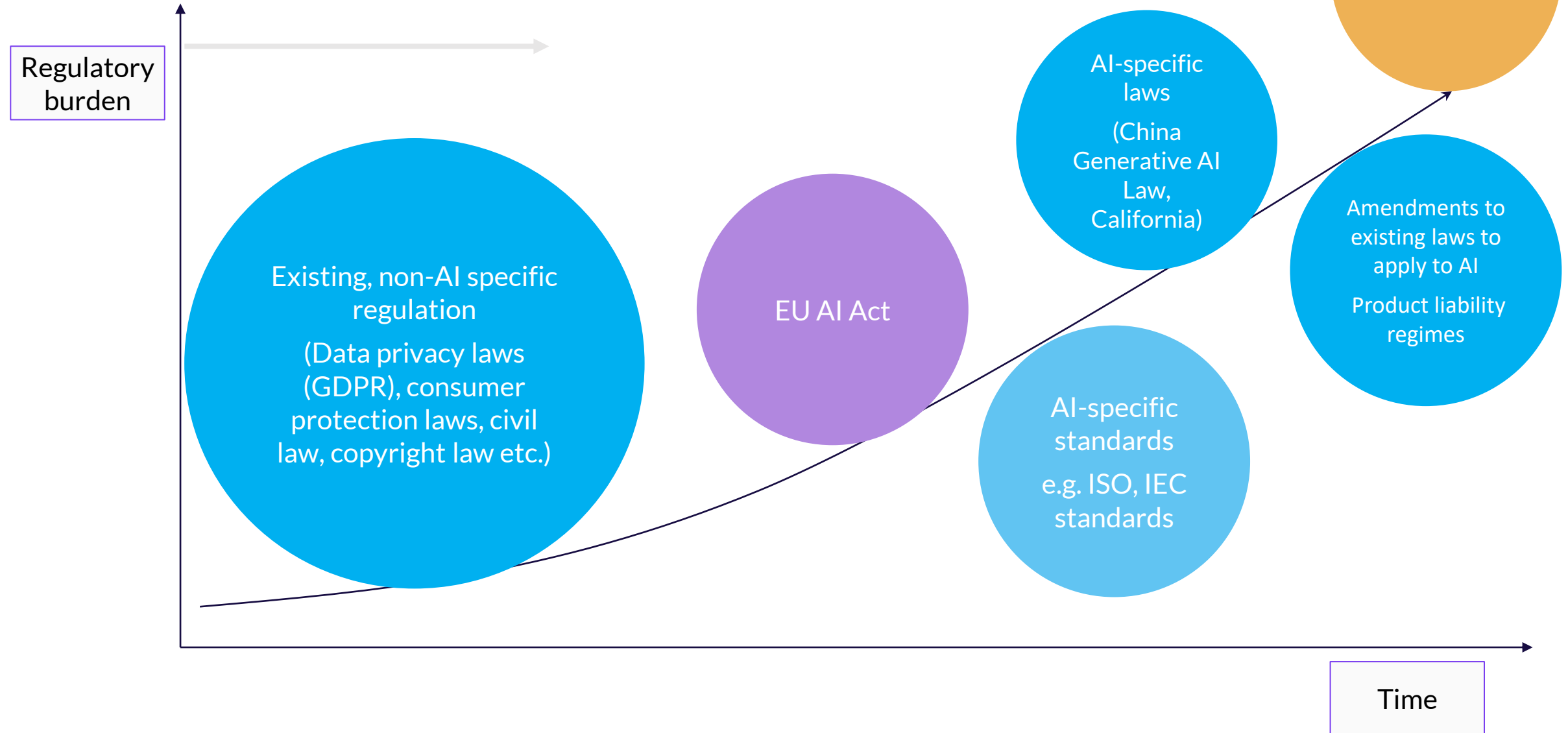**04** Lack of visibility into shadow applications, data security, etc.

05 Everything, all the time
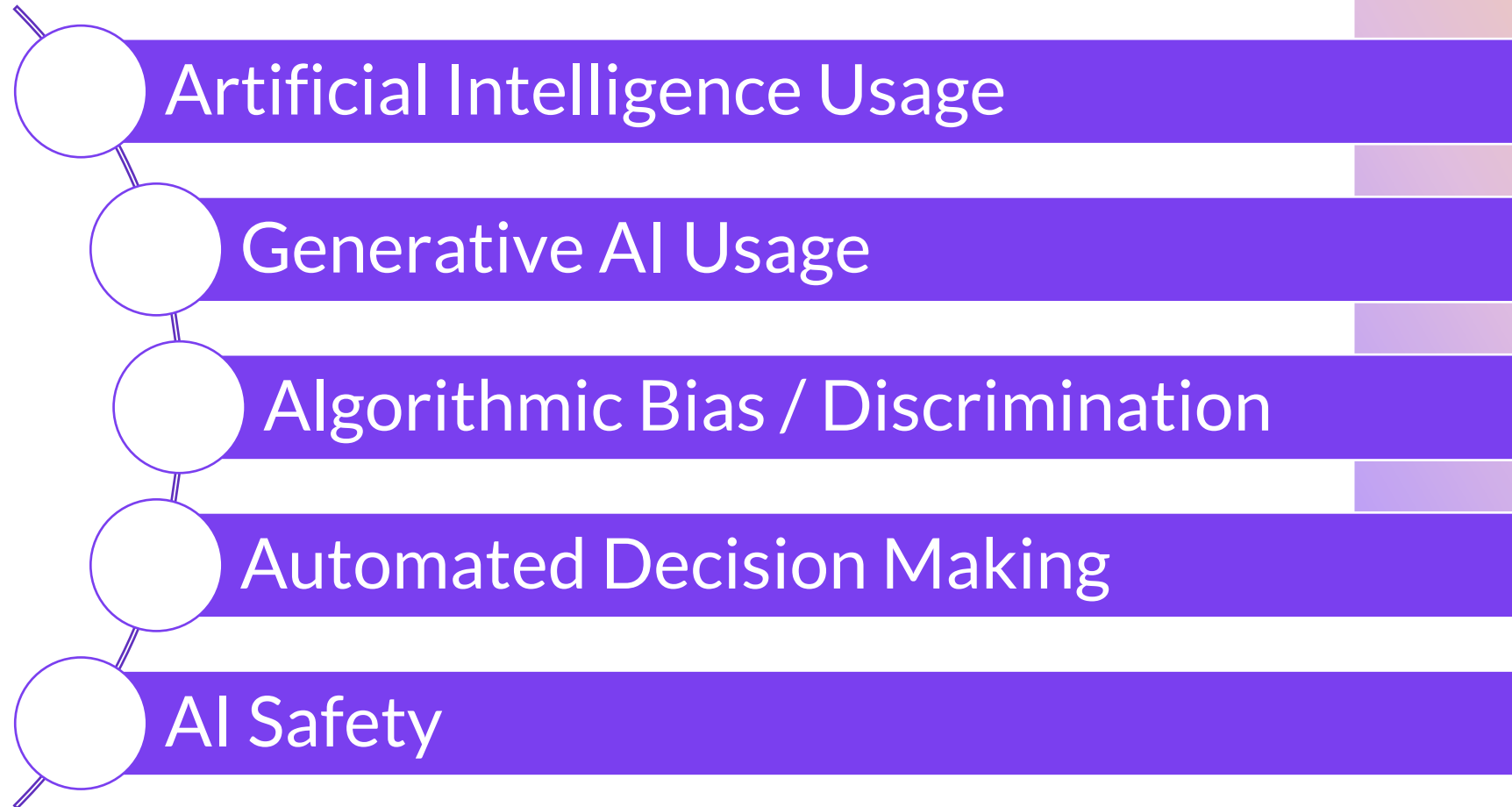
osano

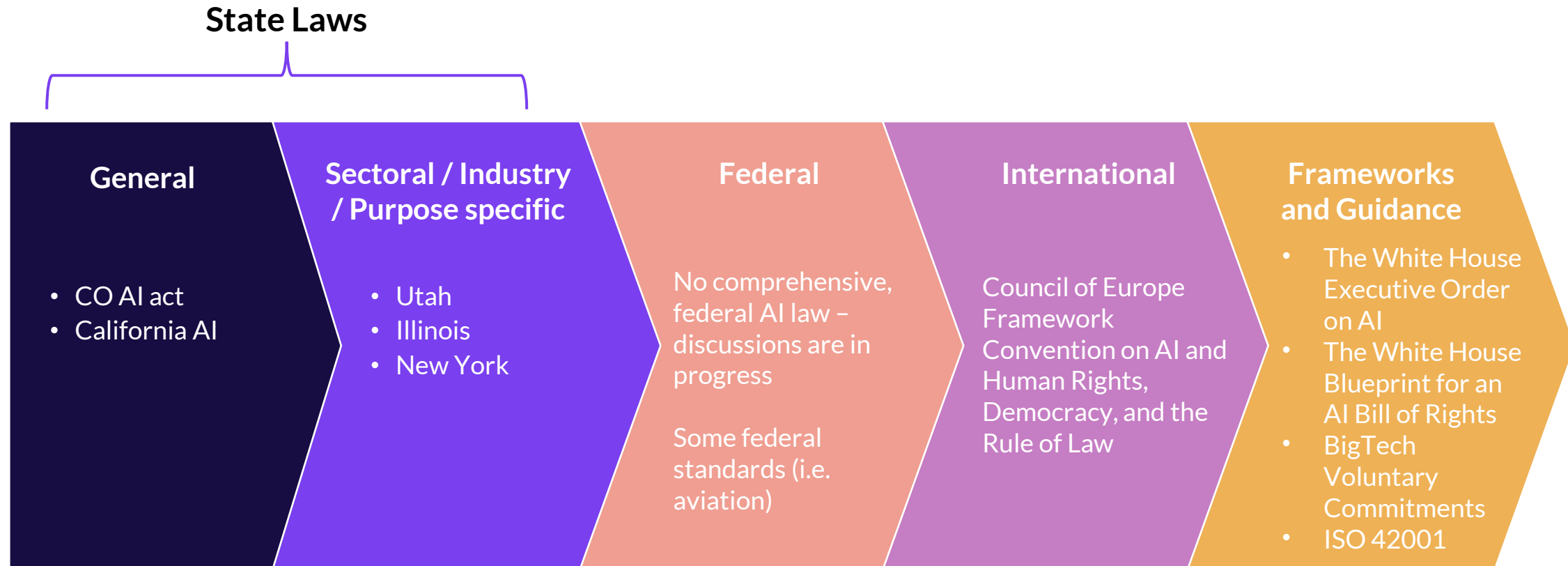# The Regulatory Landscape

Global and U.S.

Global Regulatory Landscape

Regulatory burden

Existing, non-AI specific regulation

(Data privacy laws (GDPR), consumer protection laws, civil law, copyright law etc.)

EU AI Act

AI-specific laws

(China Generative AI Law, California)

AI-specific standards

e.g. ISO, IEC standards

Amendments to existing laws to apply to AI

Product liability regimes

AI Liability Directive?

Time

AI Regulation in the U.S.

(non-exhaustive)

Artificial Intelligence Usage

Generative AI Usage

Algorithmic Bias / Discrimination

Automated Decision Making

AI Safety

osano

AI Regulation in the US (non-exhaustive)

State Laws

General	Sectoral / Industry / Purpose specific	Federal	International	Frameworks and Guidance
• CO AI act • California AI	• Utah • Illinois • New York	No comprehensive, federal AI law – discussions are in progress Some federal standards (i.e. aviation)	Council of Europe Framework Convention on AI and Human Rights, Democracy, and the Rule of Law	• The White House Executive Order on AI • The White House Blueprint for an AI Bill of Rights • BigTech Voluntary Commitments • ISO 42001

osano

Why Now?

It's Time to Assess and Govern

osano

Why Address AI Now?

- Adoption and product development is reaching critical mass

- Remediation is more costly than being proactive

- We're starting to see some guidance and frameworks

- But laws will continue to evolve: Don't wait!

65%
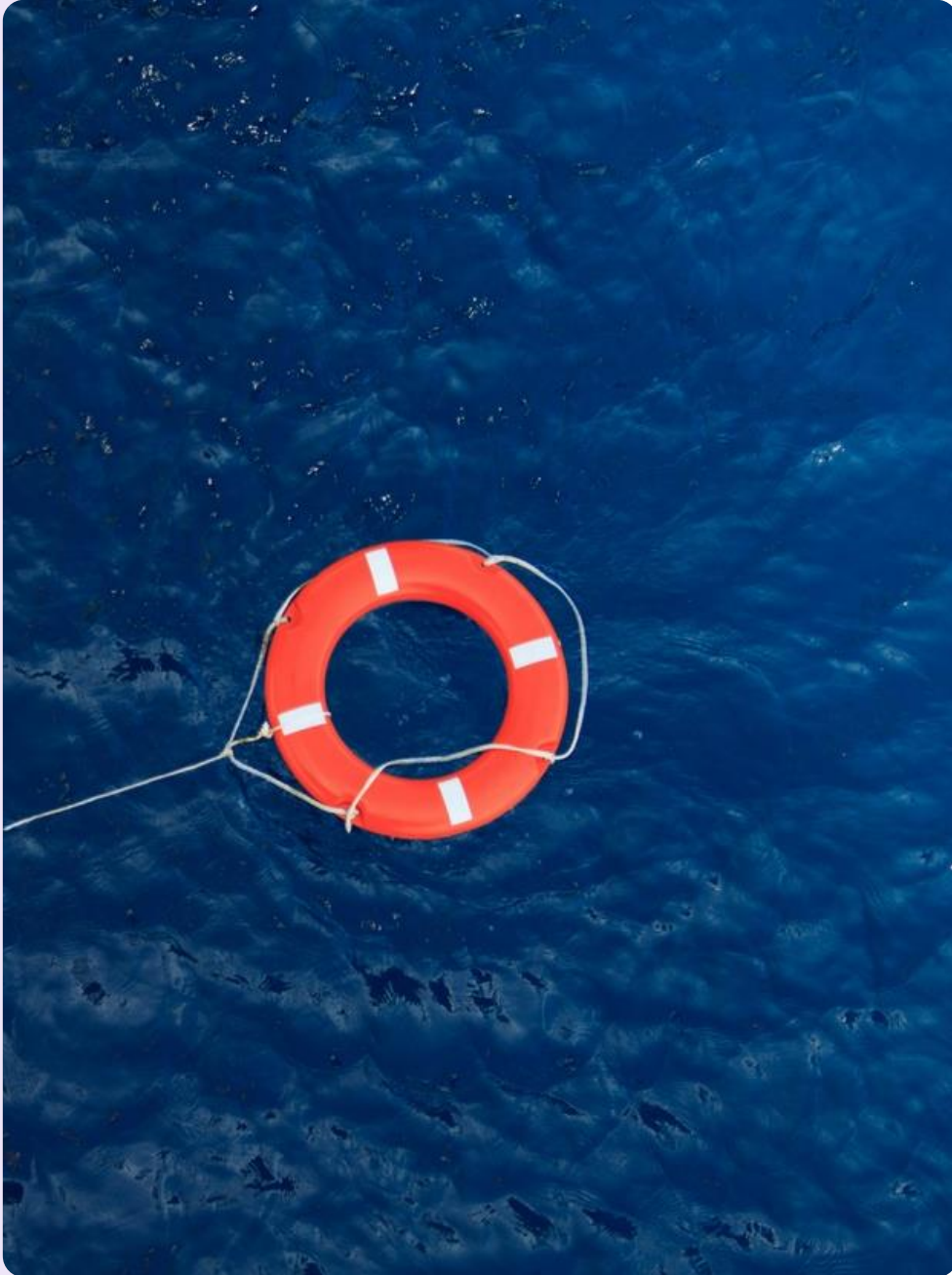Of organizations are regularly using generative AI

43%
Of organizations cite PI/privacy as a significant risk

23%
Say they are currently working to mitigate that risk

11

Source: McKinsey, 2024

For AI Assessment and Governance

Privacy Pros are an Asset

- You've been through GDPR readiness

- You have experience with working with/tying in various stakeholders (legal, IT, business, marketing, management)

- Frameworks and best practices for governing privacy data can serve as blueprints

- You can be the thought leaders and educators on PI/PII/Sensitive Data as it relates to AI

osano

Privacy vs. AI Regulation

Similarities

- Risk assessment

- Documentation

- Transparency

- Processing Register / Register of systems

- Focus on use cases (Annex III)

- One-stop shop re: General Purpose AI model (AI Office)

- High fines

- Market Principle (extraterritorial effect!)

14

osano

Privacy vs. AI Regulation

Differences

- Technical focus

- Focus on products (Annex I)

- Data Quality lens

- Affects personal <u>and non-personal data</u>

- Enforcement regime re: AI systems: No one-stop shop → different national authorities (Network Agency, DPA, new AI Authority etc)

- Conformity assessments → more similar to product regulation/ safety

- In – scope stakeholders different: Can't map privacy parties to AI

osano

Assessing AI

As a Privacy Pro
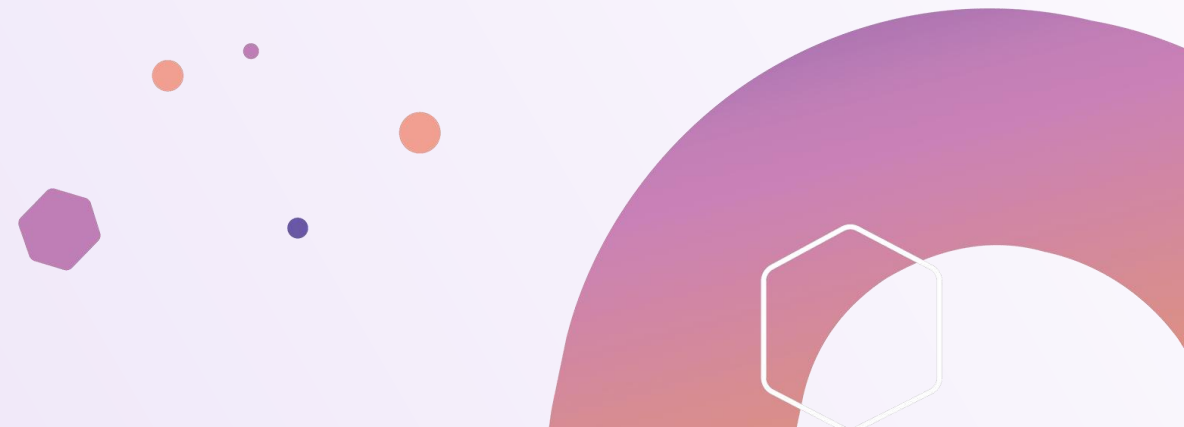
Assessing AI

Top Priorities and Concerns

01 What AI tools are in use and who is using them?

02 Are they using PI/PII/Sensitive Data with AI ?

03 Is your business building products and tools in a privacy-forward way?

osano

Finding AI in Your Organization

What to Look For

- An "AI System" (EU Act)
- Not traditional software
- Processing of personal data in the context of an AI System (slide 19)

Tools You Need

- Register of AI systems
- Register of data processing activities
- IT Map
- Privacy Data Map
- Assessments

Who Can Assist

- Legal/Compliance
- IT Team
- CISO
- Data owners across the business

osano

Processing Data in an AI Context

What it Looks Like
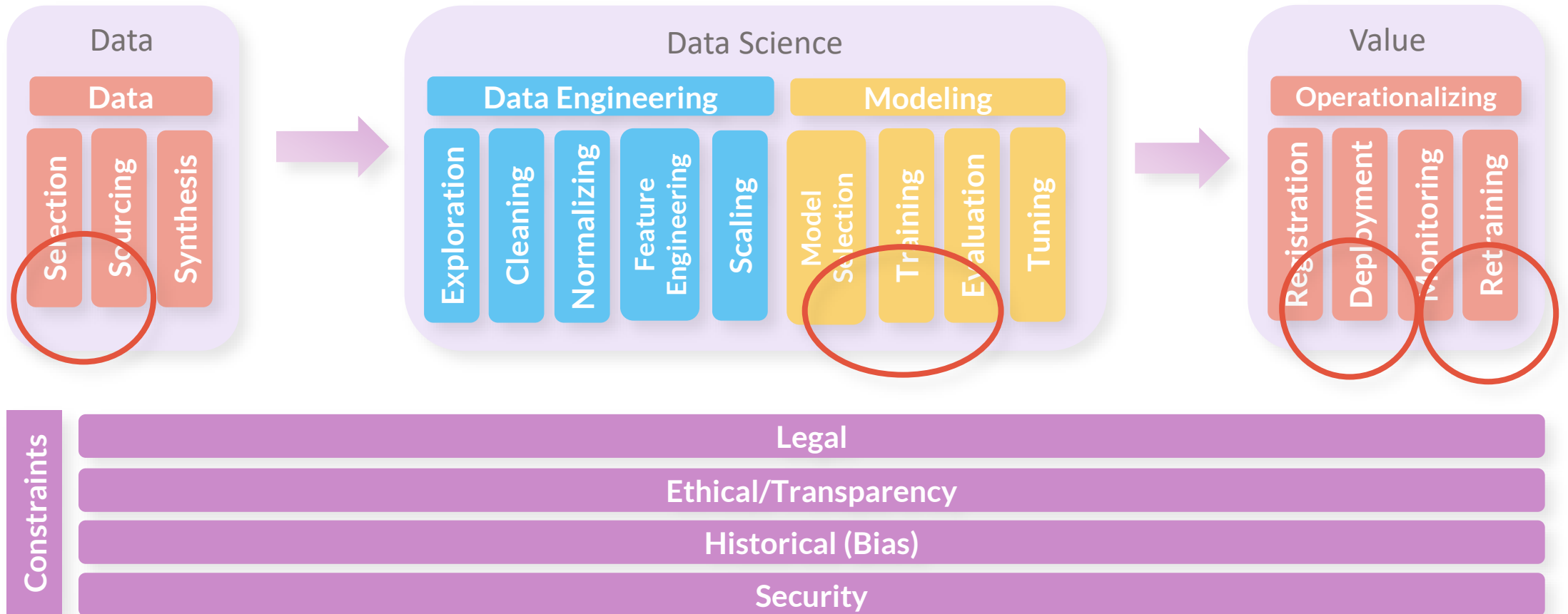
Protecting Personal Data

What to Ask

- Who is the data subject?

- What kind of data is affected?

- For what purposes is it needed/used?

- Is PI necessary for the intended purpose?

Tools You Need

- AI and Data Strategy

- AI and Data Governance

- Data Protection Impact Assessment

Who Can Assist

- Legal/Compliance

- IT Team

- Data owners across the business

osano

Evaluating Products in Development

What to Look For

- Data privacy compliance (how data is collected, processed, stored)

- Data quality the system can handle

- Security

- Transparency and explainability

Who Can Assist

- DPO

- Legal experts

- IT experts

- Other business stakeholders

- Management

How to Collaborate

- Cross-functional teams

- Stakeholder workshop

- Feedback mechanism

osano

Compliance & Governance

Top Priorities and Concerns

01 What does compliance look like for your business?
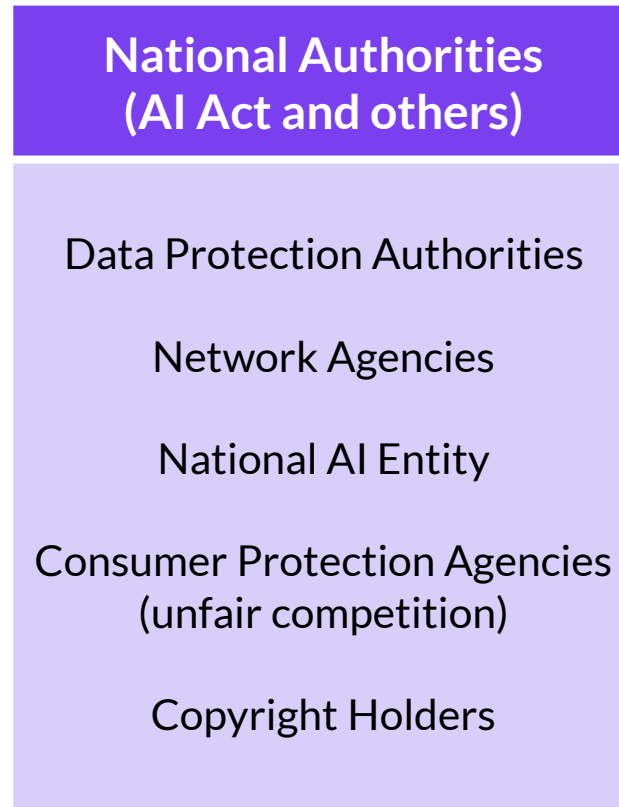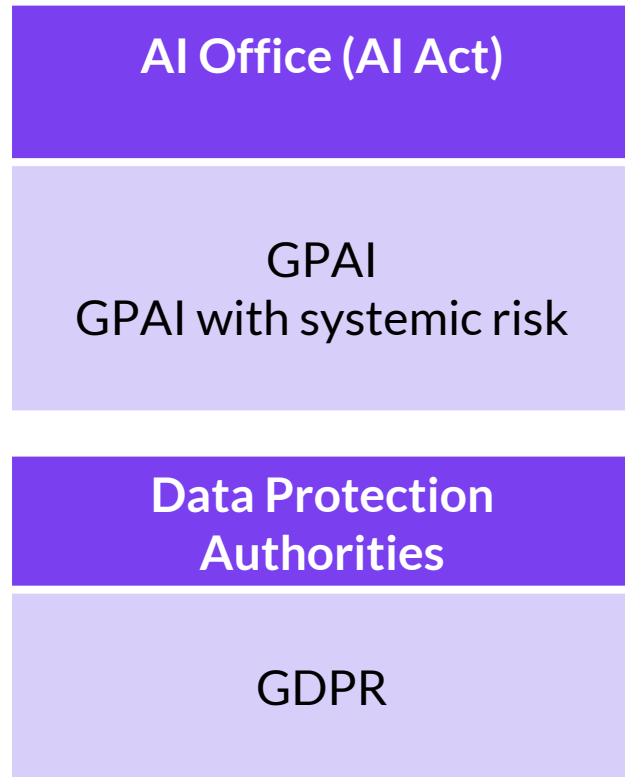
02 How is it enforced?

03 Are you properly governing AI model training?

osano

Compliance & Governance

What Defines Compliance For Your Business?

- Ensure that laws are complied with to avoid fines

- Reputation & customer satisfaction

- Marketing / brand profile

- Resources

- All of the above

osano

Who Enforces AI Compliance?

AI Office (AI Act)

GPAI
GPAI with systemic risk

Data Protection Authorities

GDPR

National Authorities (AI Act and others)

Data Protection Authorities

Network Agencies

National AI Entity

Consumer Protection Agencies (unfair competition)

Copyright Holders

osano

Model Training: Minimizing Risk

Data Lakes & Data Warehouses

Access Management

- On a "need to know" basis

- Availability and searchability of data (Data Subject Access Rights)

Purpose Limitation Data Minimization

- Only use personal data within the limits of the purpose

- **Delete personal data if no longer necessary**

Pseudonymisation Anonymisation

- Anonymize whenever possible

- Adhere to the data minimalization principle

Cybersecurity Risk Assessments

- Ensure technical and organizational measures

osano

As You Get Started

Don't Forget:

- Data best practices are foundational to any compliance effort

- The right tools can help you quickly assess, govern, and adapt

- AI compliance affects the whole business: Alignment and collaboration is key
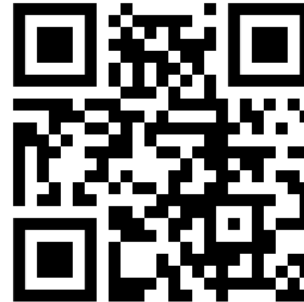
- Ask for help

osano

Stay In Touch and Learn More!
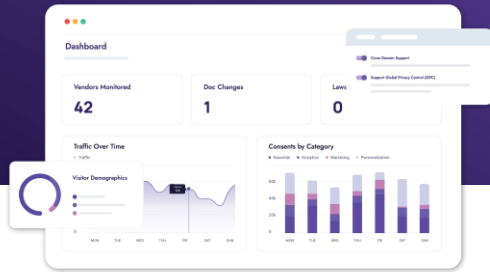
Schedule a Demo
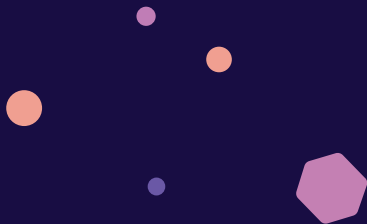

Check out the Osano Blog

About the Firm

ejones@simmons-simmons.com

cgoetz@simmons-simmons.com

osano

Attention IAPP Certified Privacy Professionals:
This IAPP web conference may be applied toward the continuing privacy education (CPE) requirements of your CIPP/US, CIPP/E, CIPP/A, CIPP/C, CIPT or CIPM credential worth 1.0 credit hour. IAPP-certified professionals who are the named participant of the registration will automatically receive credit. If another certified professional has participated in the program but is not the named participant then the individual may submit for credit by submitting the continuing education application form here: submit for CPE credits.

Continuing Legal Education Credits:
The IAPP provides certificates of attendance to web conference attendees. Certificates must be self-submitted to the appropriate jurisdiction for continuing education credits. Please consult your specific governing body's rules and regulations to confirm if a web conference is an eligible format for attaining credits. Each IAPP web conference offers either 60 or 90 minutes of programming.

For questions on this or other
IAPP Web Conferences or recordings
or to obtain a copy of the slide presentation please contact:

livewebconteam@iapp.org

Thank You!

osano