

RECOMMENDATIONS

The National Convention on European Integration 2021-2023

Working Group III (Rural Development and Consumer Protection)

Session 4: Challenges of Consumer Protection in relation to Artificial Intelligence Advancements

February 28, 2023, 11:00 – 13:00

On February 28, 2023, Working Group III (Rural Development and Consumer Protection) organized in the framework of the National Convention on European Integration the following session focusing on the challenges of consumer protection in relation to the evolution of artificial intelligence (AI). The use of AI in present many positive benefits for consumers, but there can also be some negative effects such as consumer inequality, manipulation, misuse of data, discrimination, etc. During the 4th session of WG III, these and other problems related to the use of AI were identified and several recommendations were extracted to ensure protection for consumers in the Albanian market with the highest standards.

Recommendations

- *Although there it still no specific legislation concerning artificial intelligence, several situations may find redress in other existing laws such as those related to product safety, unfair commercial practices, e-commerce etc. However, specific consumer protection policies related to the use of AI should be drafted and adopted as soon as possible.*
- *The main objective of new legislation in this field should be consumer protection, whilst also being attentive to not overregulate situations as it may limit consumer benefits from AI and the developments of this field.*
- *The first step to guarantee consumer protection against the negative side effects of AI usage, is to ascertain possible risks, make a list and then outline the measures. Special attention should be paid to vulnerable groups, with protective measures against their manipulation or exploitation by using AI.*
- *Consumer rights related to AI use should be specified when there is no clear language or fill legislative gaps (evaluate current legislation), paying particular attention to the security and privacy of consumers when using these technologies.*
- *European legislation and principles that ensure the highest standards for consumer protection*

must be implemented in the internal legal order, starting from the provisions of the Civil Code to ensure proper consumer protection.

- In addition to the current EU legislation, it should also be taken into consideration the 'New Consumer Agenda', which includes green transition and digital transformation, and the proposal for the Regulation on Artificial Intelligence. This regulation is of great value, as the risk-based approach presents a preventive mindset above all, with the risks to AI divided into four categories and with requirements to fulfill for each case.*
- Transparency is the most important principle that must be applied when it comes to the use of artificial intelligence, which must be disclosed to the consumer in every case. In cases where operators use AIs categorized as 'high risk', due to the impact they may have on consumers and their rights, human supervision, as well as a system for risk assessment and track records management for accountability should be provided.*
- Liability and accountability in cases where artificial intelligence is used is a challenging and complicated matter, which needs to be resolved urgently. While the EU is in the first steps of consolidating and unifying the legal and judicial practices in the member states through a new AI Liability Directive, it would be recommended for a country in the process of EU integration to also follow these developments closely.*
- It is extremely important to raise public awareness, informing consumers not only about the benefits, but also the risks that AI may pose for them, by clarifying their rights and the responsible institutions where they can go for redress in such matters.*
- The use of artificial intelligence is growing fast and greatly affects consumers, however legal regulations are still evolving and not firmly consolidated. The establishment of a cross-sectoral working group to keep abreast of recent developments and oversee implementation in practice would be of great value.*