

## **Legal and Regulatory Frameworks for AI**

### **Assignment Guidelines:**

In this assignment, students will need to analyse the developing laws and regulations that are applied to the design, development, and operation of Artificial Intelligence systems within business. The goal is for students to critically assess the ways in which international, regional and domestic regimes affect organisational strategy, exposure to risk, compliance requirements and market positioning. This case is a call for practical exploration on how firms may manage regulatory complexity and yet inspire responsible innovation and enduring competitiveness.

### **Submission Format:**

- Type: Detailed project report
- Font: Times New Roman, Size 12, Double Spaced
- Word count: 3000 – 4000 words
- Submission Deadline: To be announced by the respective professors

### **Assessment Criteria:**

- Understanding and application of key legal and regulatory concepts governing AI – 20%
- Critical analysis of regulatory impact on business strategy, operations and risk – 25%
- Use of relevant academic literature, legal sources, policy documents and industry cases – 20%
- Strategic insight, practical recommendations and consideration of compliance challenges – 25%
- Structure, academic writing, presentation and APA referencing – 10%

### **Mandatory Sections:**

- Title Page
- Table of Contents
- Abstract
- Introduction
- Literature Review
- Methodology
- Findings
- Discussion
- Conclusion
- References
- Appendices

### **Assignment Task – Choose ONE of the following written assignments:**

#### **Option 1: Navigating the EU AI Act and Global Regulatory Divergence**

Analyse the strategic and operational implications of the European Union's Artificial Intelligence Act for organisations operating across multiple jurisdictions. Your paper should:

- Describe the risk-based classification system of the EU AI Act and its implications for high-risk versus limited-risk AI applications in business.
- Compare the EU approach with emerging regulatory models in the US, UK and selected Asian jurisdictions, identifying areas of convergence and tension.
- Discuss the challenges of cross-border compliance, such as data transfers, liability allocation and regulatory arbitrage.
- Make concrete recommendations on how multinational companies can create internal governance structures that are compliant with the most stringent regimes, yet still allow them to be commercially agile.

### **Option 2: Liability, Accountability and the “Black Box” Problem in Enterprise AI**

Investigate the legal and practical difficulties of assigning responsibility when AI systems cause harm or produce biased outcomes. Your paper should:

- Investigate gaps in product liability, professional negligence and corporate accountability frameworks in relation to machine learning systems.
- Discuss the conflict between the inherent secrecy of algorithms and legal demands of explainability, transparency and auditability.
- Explore key cases or regulatory enforcement actions involving AI-related harm that led to legal or reputational repercussions.
- Recommend an actionable accountability framework that organisations can implement to define roles, documentation practices, and escalation procedures for AI-informed decisions.

### **Option 3: Data Protection, Privacy and Intellectual Property in the Age of Generative AI**

Evaluate how existing data-protection and intellectual-property regimes are being tested by generative AI systems and large-scale model training. Your paper should:

- Evaluate how the GDPR (and similar privacy regulations) applies to the data processing necessary for training and fine-tuning large language models.
- Investigate unanswered questions regarding copyright ownership, fair use / fair dealing, and the rights of data subjects whose data is included in training corpora.
- Analyse compliance risks introduced when generative AI tools are integrated into customer-facing or knowledge-worker applications.
- Advise on a measured policy response that enables organisations to reap the productivity benefits of generative AI, yet remain defensible under prevailing and projected legal regimes.