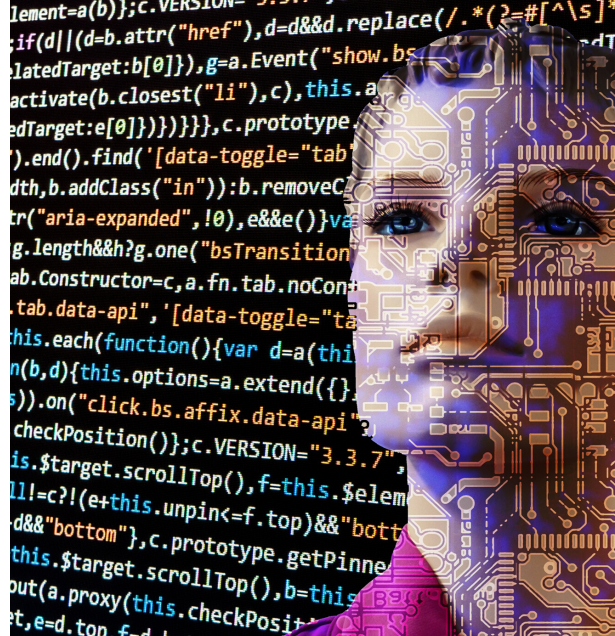


Adapting to the AI Era: Exploring Argentina's legal landscape through legaltech advancements and comparative law perspectives

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The world is currently going through what we call the fourth industrial revolution, in which Artificial Intelligence (AI) stands out as a technology with impact potential, which in one way or another is having a broad impact on society: the way we produce, we trade, we consume, we interact and we work.

1. Regulatory framework in the Argentine Republic

In general terms, there are no standards that comprehensively regulate it and specify the problems generated by artificial intelligence and —today— we must resort to similar legal institutes.

At present, in our country we do not have specific legislation on artificial intelligence that regulates it. Beyond certain provisions aimed at the study and development of proposals for regulatory frameworks or the promotion of good practices in terms of AI, the matter has not been specifically regulated.

In the month of December 2020, the National Senate approved the Knowledge Economy Law (Law No. 27,570) which has the objective – among others – of promoting research, creation, design, production and development of technologies disruptive, such as artificial intelligence.

However, the truth is that our country shows the need to have updated legal regulations on data protection to create a solid regulatory framework, since in the face of the great advance of artificial intelligence our current regulations are old – for example, Law No. 25,326 on the Protection of Personal Data-sanctioned in the year 2000.

2. Debates about its regulation

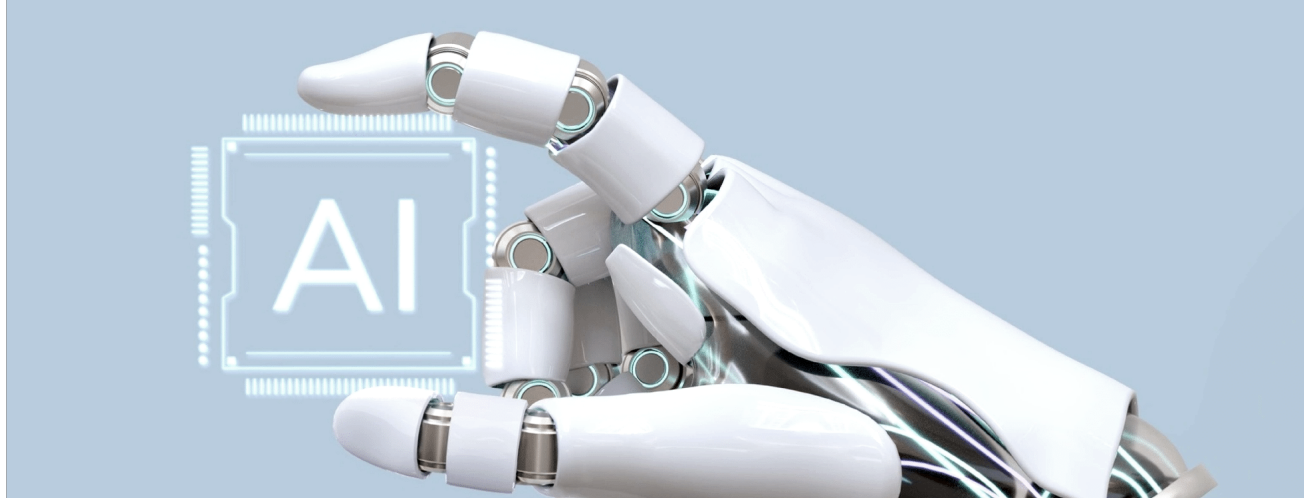
Artificial intelligence is not just a technological issue. The question of how these developments can improve or complicate people's lives is on the rise. That is why there are several debates on the regulation of artificial intelligence in Argentina, including:

a. Data Privacy Regulation:

Regarding the same, numerous experts argue that regulations are needed to ensure that personal data is not used inappropriately and that companies adequately protect the data of their consumers. This debate is booming, since artificial intelligence increases every day.

b. Regulation of civil liability:

There are also those who emphasize its regulation to determine responsibility. On the one hand, some argue that companies that develop and use artificial intelligence should be held accountable for any harm that may be



caused. Instead, others argue that it works autonomously and, therefore, there should be a specific regulation for these cases.

c. Training and qualification:

They highlight the importance of efficient regulation on artificial intelligence to be applied in companies. They must provide education and training to their employees, not only those who work directly with the technology, but also those who may be affected by its use.

Likewise, companies must be transparent in their use. It must clearly explain how decisions are made to provide greater confidence to its users and prevent the misuse of artificial intelligence from causing harm to them.

3. Legaltech in Argentina

The technology applied to the commercialization and provision of legal services has a very important scope in our country. Startups are very useful when it comes to automating judicial processes, resolving legal queries, even making claims online.

In 2017, [Prometheus](#) was launched, an artificial intelligence system, developed jointly by the Public Prosecutor's Office of the Autonomous City of Buenos Aires and the Law School of the UBA, with the aim of expediting justice and allowing a better use of resources. In particular, this innovative tool consists of a software system whose main purpose is the automation

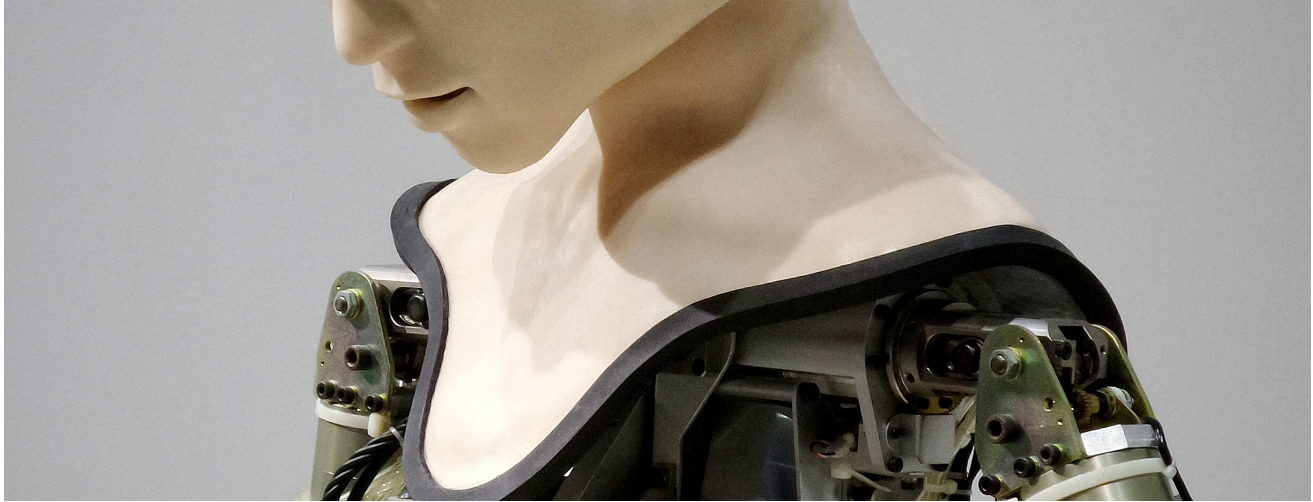
of repetitive tasks. The use of this system has allowed the Prosecutor's Office to significantly increase the efficiency of its processes.

Said system generated debates regarding whether it could replace judicial opinions. The truth is that it cannot replace judicial opinions. Although he can offer recommendations or suggestions in legal decisions, ultimately it is the judge or magistrate who must make the final decision based on his judgment and legal experience. This system is just a useful tool to help in the decision making process.

Another important advance is the launch of [LegisAPP Lite](#), an application available in our country with tools to acquire and/or generate contracts online without going through a lawyer. In other words, software that, through question and answer systems, allows obtaining the necessary information to provide the client with contracts tailored to their needs.

4. Comparative law on AI in Latin America

Both in Argentina and globally there is a widespread understanding of the importance of addressing the development of artificial intelligence in a comprehensive and coordinated manner in order to take advantage of the opportunities it presents for different sectors. Next, the advances in the matter in different countries in Latin America are detailed:



Uruguay

It is the country that has gone the furthest in the region and it is ranked number forty-four in the world that develops artificial intelligence (Oxford Insights, 2020). Uruguay has a Data Protection Law, which prescribes in its Art. 16 that citizens can oppose automated decisions.

Colombia

In 2020, the Ethical Guide for the Application of artificial intelligence in the public and private sectors was created. The "Ethical Framework for Artificial Intelligence in Colombia" is a document with principles and tools to develop artificial intelligence. The country, according to the Oxford Insights classification, occupies the third position in the region.

Mexico

Most of the Mexican laws in relation to data protection prescribe four general rights, known as "ARCO" (access, rectification, cancellation and opposition). The Mexican federal data protection law (Mexico, 2010) does not prescribe a clear right for citizens to oppose data processing.

Brazil

This country has an artificial intelligence strategy designed by the Ministry of Science, Technology and Innovation called the "Brazilian Artificial Intelligence Strategy". It ranks sixth among the best countries in AI in the region, but it turns out to be the lowest in transparency in the classification of responsible use (Oxford Insights, 2020).

Chile

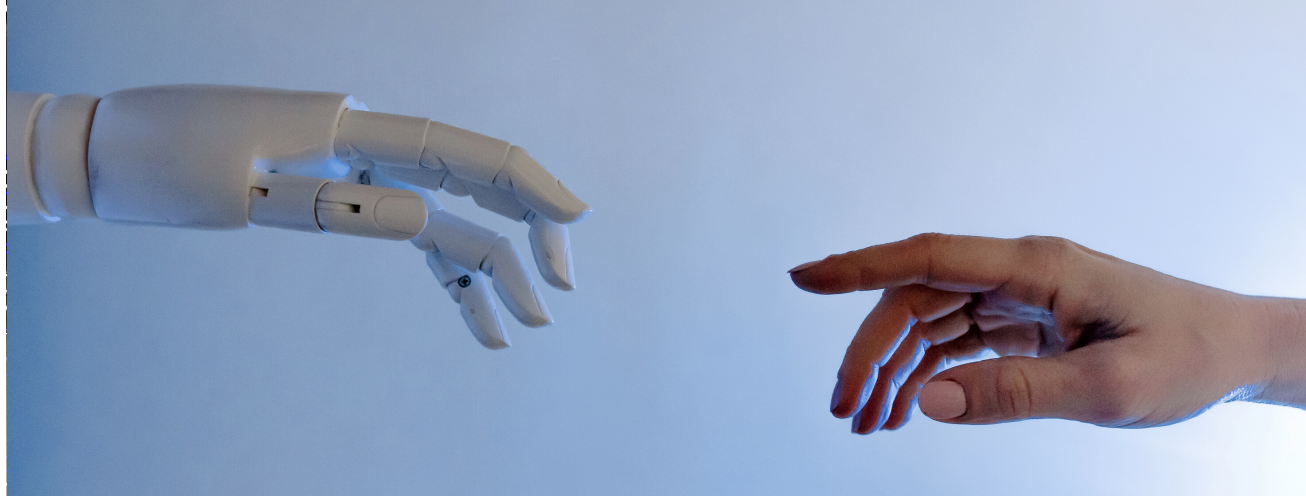
In 2020, Chile launched a public consultation process to collect the perceptions and questions of social and civil organizations, the academic world, the productive sector and citizens in general about the use and development of AI in the country. Data protection against artificial intelligence decisions is not yet regulated. However, there are two bills ("Bulletin 11144-07 and 11092-07") to update the current data protection law.

5. Comparative law on AI in Europe

Artificial intelligence is high on the agendas of European leaders. The European Union took the global initiative in the legal field and has already begun to legislate on the matter, becoming the first region in the world to do so.

Parliament recognizes that a radical change of this magnitude has inexorable repercussions in different and complex ways in different parts of society, depending on their objectives, geographical location or socio-economic context.

That is why numerous farms across Europe are already using artificial intelligence to control animal movement, temperature and food consumption. The artificial intelligence system is capable of automatically resetting heating and feeding machinery, thereby helping farmers to monitor the welfare of cattle and free themselves up for other tasks. The use of it



is contributing to the fact that the European industrial sector is much more efficient.

Currently, they are in the final stretch to approve a new regulation aimed at ordering certain aspects related to the use of Artificial Intelligence. This is the "Artificial Intelligence Law" standard, which has already been a long and intense debate for 2 years.

The current regulation outlines four levels to regulate the risks posed by artificial intelligence systems, with different rules applying to each level of risk. The categories are: "minimum risk" (ChatGPT), "limited risk" (direction of advertising depending on tastes, gender or race of the consumer), "unacceptable risk" (biometric surveillance) and "high risk" (artificial intelligence engines that can generate deepfakes).

It is clear that the European Union has clear potential to become the world leader in secure artificial intelligence. By developing a strong regulatory framework based on human rights and core values, they can develop an AI system that benefits individuals, businesses, and governments.

6. AI projects in Argentina

At the end of last year, the Undersecretary of Information Technologies participated in the

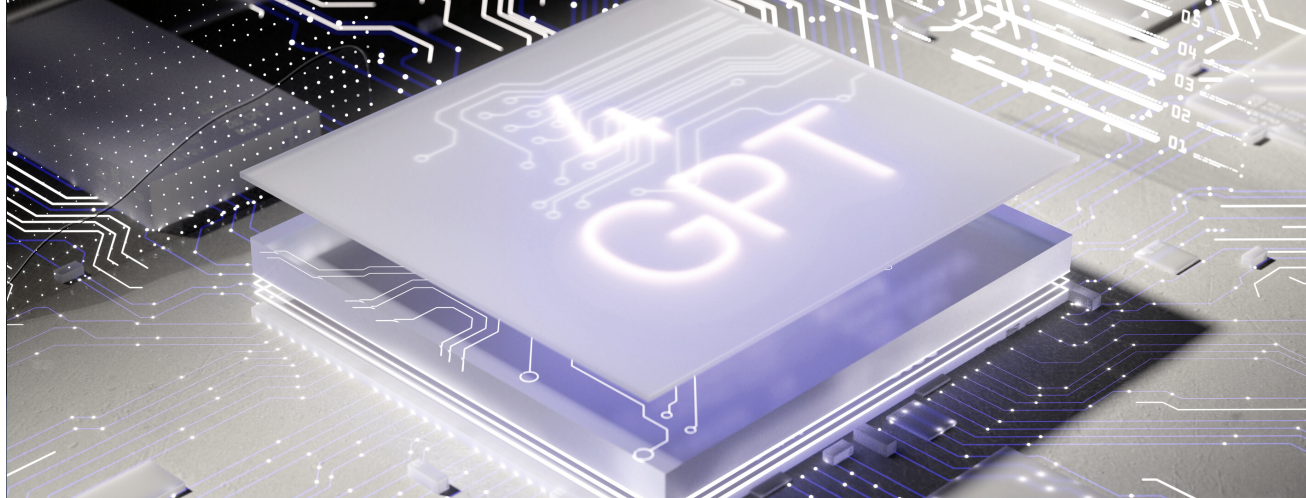
Global Forum on Ethics of Artificial Intelligence. There, "we sought to identify the best regulatory practices and institutional frameworks to guarantee the ethical development of these technologies".

The truth is that Argentina is no stranger to the race for the development of artificial intelligence and its application to enhance economic and social aspects of daily life.

The Argentine Technological Fund (FONTAR) currently has 104 projects with funding granted related to software and related (embedded software, systems, artificial intelligence, industry 4.0), out of a total of 460 active projects. This implies that they are already in the execution and monitoring stage.

One example, among many, is the firm Mila Agro Tech SRL, located in Tres Arroyos, Province of Buenos Aires. The fundamental objective of the project is the development of a comprehensive system for recognition, chemical dosing and evolution tracking of multiple predefined targets -plantations, weeds, diseases, pests, etc.- through the application of artificial intelligence and machine learning.

Said firm works on a versatile system based on artificial intelligence for the recognition of problems in crops and the application of agrochemicals. It is an example of the possible



synergy between the State and the private sector with the potential for application and clear socio-economic benefits when it comes to improving crops, boosting exports and generating more foreign currency for Argentina.

Another example is that of the company Inceptia SRL, located in the City of Buenos Aires. Said company is constantly searching for new ways to connect people with technology in such a way that, combined and collectively, they can act more intelligently than any other person, group or computer.

In this way, they have developed a voice robot platform capable of incorporating STT and TTS neural networks and automating the availability of bots in a friendly way, easily integrable with other digital channels and with integration services for company transactional systems. with your clients. This project aims to improve the user experience from the construction of artificial intelligence models that allow interaction in natural language, allowing the person to communicate colloquially, without having to adapt to technology. This will make it possible to have a fluid conversation with people, understanding the intention of each phrase expressed by an end customer, even in environments with background noise, using different Spanish accents, avoiding awkward silences, etc.

7. Challenges of AI in Argentina

The challenge before us, and which must be addressed as a central issue, is how we design and promote these technologies in such a way that they result in the greatest possible benefit for our country.

So much so, that in relation to the processes of incorporation of technologies that Argentina carried out in previous industrial revolutions, CIPPEC¹⁰ examined the potential impact on the development of the local economy that the adoption of artificial intelligence could imply.

For example, regarding the projections for our region, it is foreseen that "the medium-term GDP growth rate in the region could go from 3% to 4% only due to the incidence of this factor (use of AI)" being that "almost 50% of this increase would be able to be generated by an increase in productivity, by allowing workers to focus their work on tasks where they provide more added value".

In addition, the regulation of artificial intelligence in the legal field in our country will be a great challenge, since it must include issues of privacy, security and transparency, as well as the current initiatives to address these challenges and promote its ethical and responsible use in the legal world.

In order to ensure that we are all part of this digital transformation, we need to understand how technology works. Indeed, to increase



transparency and reduce error, AI systems should be developed in such a way that all of us can understand the bases of our actions and their possible risks.

This challenge is essential, since we need to be able to trust the technology with which we interact, have a predictable legal environment and have the effective guarantee that we will protect our fundamental rights and freedoms.

8. Conclusion

We know that the technological paradigm shifts that the development of artificial intelligence means presents itself as a unique opportunity to boost the economic and productive growth of our country.

The growth of computing power has made artificial intelligence one of the most strategic technologies of the 21st century.

Most of the developed economies recognize that it represents a change in the rules of the game and have adopted different approaches, which are a clear reflection of their own political, economic, cultural and social systems.

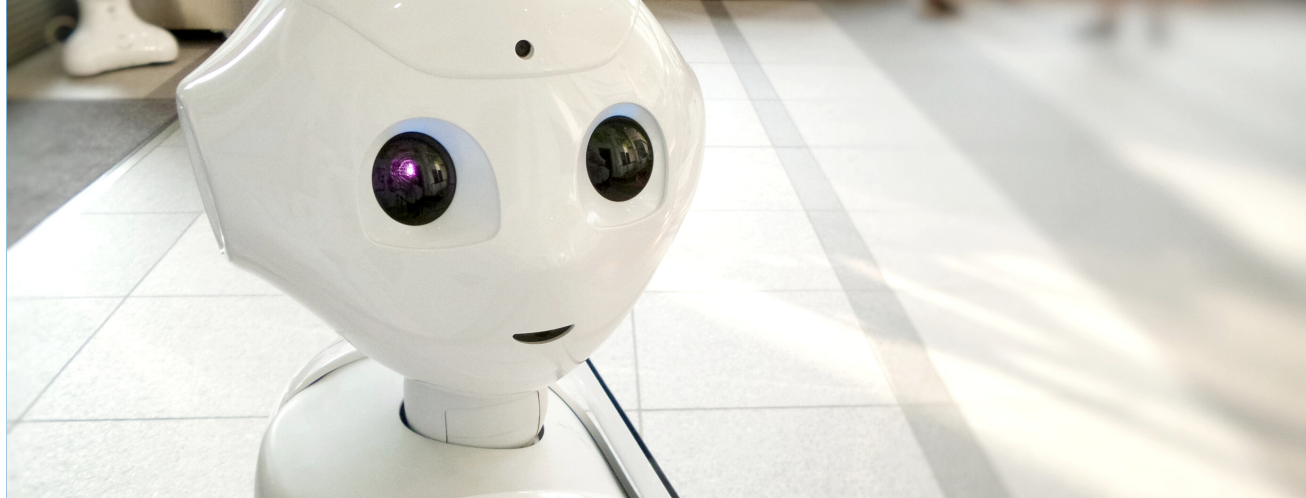
That is why, in the midst of fierce global competition, a robust framework is required. The stakes are high and our approach to this issue will define the world in which we are going to live.

There are many examples of what artificial

intelligence has shown that it can contribute in all sectors, from energy to education, or from financial services to construction, but many others, which we cannot even imagine today, but will emerge throughout the next decade.

Argentina needs to move forward on digital protection issues since - as we saw previously - we currently do not have a set of regulations that are sufficient to face this reality and capable of facing its risks and achieving the aforementioned objectives.

As with any other technology or tool, it can be used for positive purposes, but also for malicious purposes. Our way forward - together - must be to focus on putting the potential of artificial intelligence at the service of human progress.



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