The *Saeima 1* has adopted and

the President has proclaimed the following law:

**Artificial Intelligence Centre Law**

**Section 1. Purpose of the Law**

The purpose of the Law is to create an ecosystem of artificial intelligence technologies and a legal framework for the cooperation between the public sector, the private sector, and higher education institutions, and also to determine the purpose of the establishment and operation of *nodibinājums “Mākslīgā intelekta centrs”* [the foundation “Artificial Intelligence Centre”](hereinafter – the Centre), its legal status, tasks, rights, organisational structure, sources of financing and the procedure for the use of the funds allocated to it.

**Section 2. Purpose of the Establishment and Operation of the Centre**

The purpose of the establishment and operation of the Centre shall be:

1) to combine the intellectual and financial resources of the public sector, the private sector, and higher education institutions to promote mutual partnerships, the introduction and development of innovations;

2) to promote the implementation of artificial intelligence initiatives in fields with high potential in conformity with national interests;

3) to promote national competitiveness;

4) to promote the skills and equality of society in the field of artificial intelligence;

5) to ensure that artificial intelligence systems are used ethically, responsibly, and safely, respecting fundamental human rights;

6) to implement measures to mitigate the risks associated with the use of artificial intelligence.

**Section 3. Legal Status of the Centre**

(1) The Centre is a foundation which is registered in the Register of Associations and Foundations in accordance with the requirements of the Associations and Foundations Law.

(2) The provisions of the Associations and Foundations Law shall apply to the activities of the Centre, unless otherwise provided for in this Law.

**Section 4. Tasks of the Centre**

(1) The Centre shall have the following tasks:

1) to promote the application of artificial intelligence technologies in the public and private sectors, and also to identify, develop, and coordinate projects, including by creating national and international partnerships and raising funding for the implementation of innovation projects in State administration, the national economy, internal security, defence, education, culture, welfare, sports, health, and other fields;

2) to identify security risks related to artificial intelligence solutions in the public and private sectors and to promote the development of capabilities and research in this field;

3) to provide an opinion on the cases involving the use of artificial intelligence systems or deepfake technologies during the pre-election campaign period, on election day, or in the process of the election, appointment, or approval of public officials in the *Saeima*;

4) to promote awareness and the enhancement of artificial intelligence skills in the public and private sectors, including in relation to risk management;

5) to provide consultations, including developing guidelines for the public and private sectors in the field of artificial intelligence;

6) to prepare proposals on the development of the field of artificial intelligence in Latvia, including on the risks that significantly limit human rights, the democratic system of government, and public security;

7) to promote the sustainability of the Latvian language, the inclusion of cultural data in artificial intelligence solutions, and adaptation to them;

8) to identify, create, and organise data sets for training artificial intelligence;

9) to ensure a special regulatory environment for the advancement of artificial intelligence systems;

10) to carry out other tasks laid down by law.

(2) In relation to the execution of delegated State administration tasks, the Centre shall be under the supervision of the Ministry of Smart Administration and Regional Development.

**Section 5. Rights of the Centre**

The Centre has the right:

1) to announce and organise project tenders;

2) to participate in project tenders, raising funding for the implementation of its objectives and tasks;

3) to participate in international organisations;

4) to cooperate with institutions on artificial intelligence matters;

5) to cooperate with non-governmental organisations on matters related to artificial intelligence;

6) to prepare recommendations and participate in the development of laws and regulations, including identifying regulations that hinder the development of the field of artificial intelligence and preparing proposals for improvement;

7) to process personal data in accordance with the procedure and to the extent laid down in laws and regulations for the implementation of its tasks;

8) to receive State budget funding;

9) to accept gifts and donations (in the form of financial resources, material and non-material form) to be used for the implementation of the objectives of the Centre;

10) to acquire ownership and possession of movable and immovable property, and also rights (including intellectual property) both in Latvia and abroad;

11) to raise, accumulate, manage funds, and distribute them for the implementation of public and private sector projects in the field of artificial intelligence.

**Section 6. Resources of the Centre and Provision of Operation Thereof**

(1) The resources of the Centre shall consist of:

1) State budget resources;

2) funding of foreign financial aid projects;

3) gifts and donations from natural and legal persons, including foreign natural and legal persons;

4) income from economic activity which does not have a profit-making nature.

(2) The Centre shall use State budget funding only for the performance of the tasks referred to in this Law.

(3) Capital companies within the meaning of the Law on Prevention of Squandering of Financial Resources and Property of Public Entities, in compliance with the provisions of the abovementioned law, shall be entitled to give (donate) financial resources or property to the Centre for the purpose of ensuring its operations also in the fields of State administration, national economy, welfare, internal security, and defence. Public entities and capital companies within the meaning of the Law on Prevention of Squandering of Financial Resources and Property of Public Entities, in compliance with the provisions of the abovementioned law, may take a decision to transfer property for free use to the Centre for the implementation of the tasks referred to in Section 4, Paragraph one of this Law, providing in the contract additional provisions regarding the termination of free use if the Centre fails to comply with the provisions of the relevant contract or the property transferred for free use is no longer necessary for the Centre for the performance of the tasks referred to in Section 4, Paragraph one of this Law.

(4) The Centre shall ensure openness and transparency in the acquisition and use of financial resources and property in its activities.

**Section 7. Structure of the Centre**

(1) The structure of the Centre shall consist of the Supervisory Board, the Management Board of the Centre or Director of the Centre and the Secretariat of the Centre.

(2) The Supervisory Board of the Centre shall perform supervisory functions, including supervisory functions of the activities of the Management Board, and advisory functions. The Supervisory Board of the Centre shall be headed by its Chairperson.

(3) The Supervisory Board of the Centre shall consist of nine members: one representative each from the Ministry of Smart Administration and Regional Development, the Ministry of Economics, and the Ministry of Defence, and also representatives nominated by the private sector and higher education institutions.

(4) The Management Board of the Centre shall be the Director of the Centre. The Director of the Centre shall be approved and dismissed by the Supervisory Board of the Centre.

(5) The function of the Secretariat of the Centre shall be provided by the State Digital Development Agency. The Secretariat shall take care of the provision of information technologies and telecommunications, legal support, material-technical support, procurement and record-keeping, and also information security management.

(6) In order to achieve the objectives and tasks of the Centre, the Supervisory Board of the Centre may also establish other structural units of the Centre in accordance with the procedures laid down in the statutes.

**Section 8. Special Regulatory Environment for the Advancement of Artificial Intelligence Systems**

(1) The Centre, in cooperation with the competent authorities, shall organise a special regulatory environment in which provisions different from the existing laws and regulations may operate in order to ensure the development, testing, and advancement of artificial intelligence systems.

(2) The Centre shall issue administrative acts within the framework of the special regulatory environment. When adopting an administrative act, the Centre shall take into account the recommendations and objections of the competent authorities in respect of the establishment and operation of the special regulatory environment. The administrative act shall include the provisions and conditions of the special regulatory environment, granting permission not to apply certain requirements of the applicable laws and regulations, and also shall stipulate and determine the time period during which a person may develop and test an artificial intelligence system in the regulatory environment. The development and testing of an artificial intelligence system may not endanger the security of the State, society, the environment or economic activity, or the health and life of people. The provisions of the special regulatory environment may provide for derogations from the requirements of existing laws and regulations to the extent that this is objectively necessary to ensure the development, testing, and advancement of artificial intelligence systems.

(3) The following may not participate in the special regulatory environment:

1) a merchant to whom international or national sanctions have been applied;

2) a capital company in which the Russian Federation or the Republic of Belarus, their citizens or legal persons registered in the Russian Federation or the Republic of Belarus (hereinafter – the persons belonging to Russia or Belarus) have direct or indirect decisive influence;

3) limited partnership the members of which are the persons belonging to Russia or Belarus, or in which such persons have a decisive influence compared to other members;

4) a merchant who has been subject to criminal sanctions within the last five years.

(4) Administrative acts of the Centre within the framework of the special regulatory environment may be appealed to a court in accordance with the procedures laid down in the Administrative Procedure Law.

(5) The Cabinet shall determine the regulations of the special regulatory environment, the competent institutions involved in its establishment and operation, the procedures by which the Centre shall select project applications submitted in the special regulatory environment, the content of the selection regulations, the procedures for evaluating applications and the basic principles for the development of criteria.

**Section 9. Conditions for Data Processing in the Special Regulatory Environment**

(1) In order to ensure the development, testing and advancement of artificial intelligence systems in the special regulatory environment, the Centre has the right to request and receive personal data from State information systems for the purposes of scientific research or public interest and to process them in accordance with the provisions of this Section.

(2) Personal data shall be processed in the special regulatory environment for the following purposes:

1) development, testing and advancement of artificial intelligence systems;

2) validation of artificial intelligence systems and their conformity with laws and regulations and ethical standards.

(3) When organising the selection of submissions, the Centre shall determine the categories of data subjects, the exact amount of data to be processed, and the information systems from which the data may be obtained.

(4) Only such personal data shall be processed in the special regulatory environment that are necessary for the development of the specific artificial intelligence system, in accordance with the principle of data minimisation, and it shall be ensured that the data is anonymised or pseudonymised, if it is possible and does not interfere with the achievement of the objectives of the artificial intelligence system.

(5) Personal data in the special regulatory environment shall be accessible only to those entities that are directly involved in the development of the specific artificial intelligence system and that have concluded a written agreement on compliance with the rules for personal data processing.

(6) Personal data processed in the special regulatory environment may not be transferred or disclosed to third parties.

(7) After the development of the artificial intelligence system, all personal data used in the special regulatory environment shall be permanently deleted, except for the cases when it is otherwise provided for in laws and regulations.

(8) The Cabinet shall determine the requirements for persons involved in the special regulatory environment and their obligations, the period of storage of personal data, the procedures for requesting, transferring and deleting personal data, and the technical and organisational requirements that must be observed in the data processing process.

**Transitional Provisions**

1. The Artificial Intelligence Centre shall be established and applied for the registration in the Register of Associations and Foundations by the Ministry of Smart Administration and Regional Development by 31 March 2025.

2. The Centre shall implement the tasks referred to in Section 4, Paragraph one, Clause 3 of this Law from 1 June 2026.

3. The Cabinet shall, by 31 May 2025, issue the regulations referred to in Section 8, Paragraph five and Section 9, Paragraph eight of this Law.

The Law shall come into force on the day following its proclamation.

The Law has been adopted by the *Saeima* on 6 March 2025.

President E. Rinkēvičs

Rīga, 19 March 2025