

## Al in the construction industry

overview of the developments and risks

Presented by: May Winfield

September 2024

# WHY DO I HAVE AN OPINION ON THIS





### May Winfield

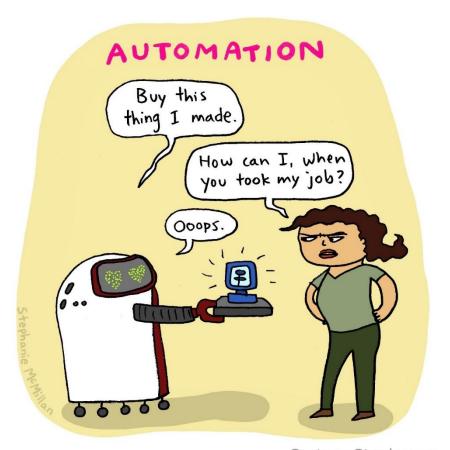
Global Director of Commercial, Legal and Digital Risks, Buro Happold

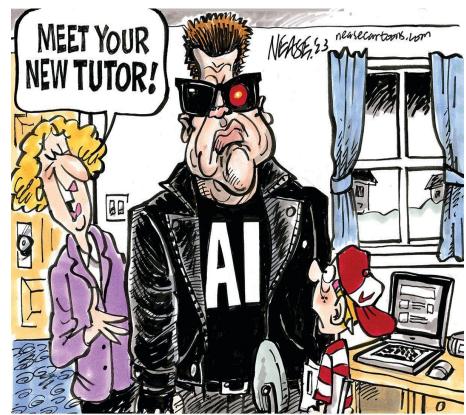
- Construction lawyer of circa 20 years
- Legal specialist in digital technology circa 15 years
- Client advisor on digital/technology risk and process optimisation
- Member of the Centre for Digital Built Britain's Digital Twins Roadmap and Digital Twins Toolkit Working Groups
- Member of the Working Group for the UK Government Construction Playbook V2 and MMC Sub-Working Group
- Co-author of the ISO19650-compliant protocol template and ISO19650 legal guidance
- Co-founder and Chair of BIM4Legal



# 1.6billon visits per month

180.5m Number of users





CartoonStock.com

# NOBODY IS PERFECT (NOT EVEN AI)

ARTIFICIAL INTELLIGENCE / TECH / CREATORS

Al art tools Stable Diffusion and Midjourney targeted with copyright lawsuit

Colombian judge says he used ChatGPT in ruling

Getty Images is suing the creators of Al art tool Stable Diffusion for scraping its content

Samsung bans use of generative AI tools like ChatGPT after April internal data leak

Discusso

New York lawyers sanctioned for using fake ChatGPT cases in legal brief

Sky News' first ever Al reporter fabricates expert evidence

**№**NBC NEWS

Washington state judge blocks use of Al-

enhanced video as evidence in possible first-of-

Finance worker pays out \$25 million after video call with deepfake 'chief financial officer'

Federal District Court Denies Copyright to AI-Generated Art

Microsoft pledges to defend Copilot customers against copyright lawsuits

its-kind ruling

ght lawsuits Piece

### AVERAGE DISPUTE VALUE = US\$57.5M DISPUTE LENGTH = 17.5 MONTHS

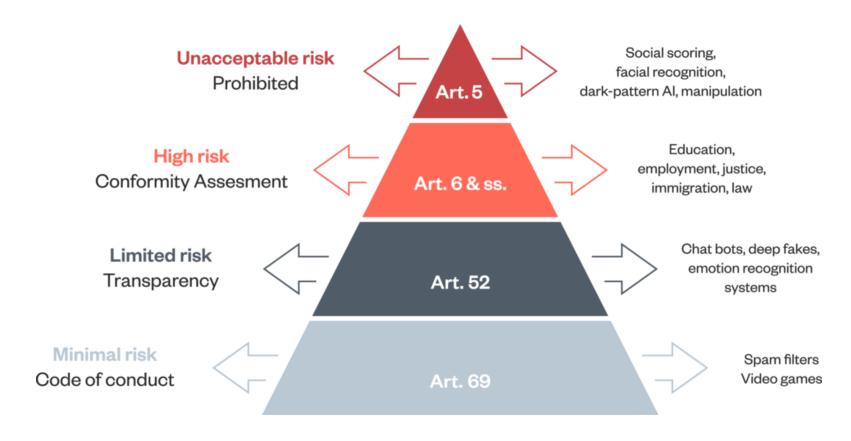
ARCADIS GLOBAL CONSTRUCTION
DISPUTES REPORT 2022
CONTINENTAL EUROPE

### GEN AI AROUND THE WORLD

(A SUMMARY)

# Range of measures balancing innovation and regulating risk...

### **EU AI Act – effect from 2 August 2026**



#### UK

- Hosted the 2023 Al Summit
- AI Regulation White Paper: "pro-innovation" approach to AI regulation
   (<a href="https://www.gov.uk/government/publications/ai-regulation-a-pro-innovation-approach/white-paper">https://www.gov.uk/government/publications/ai-regulation-a-pro-innovation-approach/white-paper</a>)
- Regulators published update February 2024: Strategic approach to Al
- King's Speech 17 July 2024: Proposal for binding laws
- Government Office for Al: Oversee the implementation of the UK's National Al Strategy

#### US

- No (current) overarching federal legislation
- Several proposed federal laws
- States have introduced AI legislation, primarily on discrimination and personal data
- Several leading AI companies (e.g., Adobe, Amazon, IBM, Google, Meta, Microsoft, Open AI, and Salesforce) voluntarily committed to "help move toward safe, secure, and transparent development of AI technology"
- Executive Orders:
  - White House Executive Order on AI (titled Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence)
  - White House Blueprint for an Al Bill of Rights

### Non-exhaustive snapshot of some other jurisdictions

- Australia: Released a National Al Plan
- Bangladesh, Brazil, Egypt and Japan: Releasing National Al Strategies
- Canada: Issuing an AI and Data Act
- China: Comprehensive AI regulations being prepared
- India: Released a National Digital Strategy; Proposing a Digital India Act
- Saudi Arabia: Has a National Strategy on Data and Al
- South Korea: Comprehensive AI Act being prepared
- UAE: First country to establish an Al Ministry

# EMBRACING AI BUT MANAGING THE RISKS



### **Key Potential Liabilities and Risks**

- Loss of confidential or client data
- Breach of copyright
- Inaccurate or low quality outputs (potentially uninsured)
- Personal data/GDPR breaches
- Ethics and bias issues



### **Example of mitigating risks**

- Checking the results
- Checking the data source
- Protecting confidential and client data
- Business-specific plan
- Internal policies (e.g. for use)
- Contract/Documentation reviews
- Tools approval
- Al Governance Board
- Training and awareness



#### **Bear in mind**

- Approved tools
- Effective prohibition of tools
- What training dataset
- Open –v- closed system
- Lack of (complete) historical data
- Confidential projects
- Supply chain and collaborators



# CLARITY (YOU MIGHT NEED HELP)

### **NEXT STEPS**



Understand the technology and laws



What internal use, and why



Benefit of paid versions

### (Non-Exhaustive) Internal Process Checklist

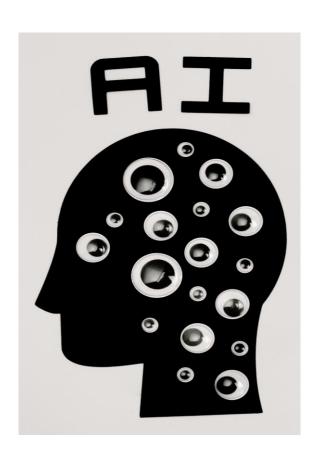
Internal Policy:
Do and Don't
Best Practice

Business Specific: Focussed Funding

Beware Contract Terms

Training

Ongoing Upskilling



### Links

- Digital Builder Podcast episode: Risks of Using AI in Construction: https://www.youtube.com/watch?v=8739HOUyh88
- Autodesk University 2024: Making AI Work for You A Legal Perspective: https://www.autodesk.com/autodeskuniversity/article/making-ai-work-for-you-a-legal-perspective-2023
- Digital-related articles: https://maywinfield.squarespace.com/
- Summary of regional Al legislation:
  - https://iapp.org/resources/article/global-ai-legislation-tracker/
  - https://www.whitecase.com/insight-our-thinking/ai-watchglobal-regulatory-tracker

#### **BURO HAPPOLD**

### **Contact Me**



May Winfield Global Director of Commercial, Legal and Digital Risks may.winfield@burohappold.com

www.burohappold.com