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EU AI Act Monitor

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Vellum Intelligence — SAMPLE

BOTTOM LINE

The period produced the most consequential legislative movement in the EU AI Act since its entry into force: both co-legislators adopted aligned positions on the Digital Omnibus on AI, opening trilogue with a May 2026 completion target. Until adoption, the 2 August 2026 high-risk compliance deadline remains binding law and should be treated as the planning baseline. Article 50 transparency obligations are not proposed to be delayed and apply in full from 2 August 2026.

WHAT CHANGED SINCE LAST BRIEF

New this period:

- European Parliament adopted its Digital Omnibus on AI negotiating mandate by 569–45 (26 March 2026), formally opening trilogue with the Council.
- EP Research Service confirmed only 8 of 27 member states have registered a national competent authority SPOC with the Commission, despite the August 2025 deadline (18 March 2026).

Materially changed:

- The trilogue track is now formally open. Both Council (13 March) and Parliament (26 March) positions are substantively aligned on core deadline extensions, raising the probability of pre-August 2026 adoption materially.

Still open / unchanged:

- Article 50 Code of Practice on AI content labelling: second draft published 3 March 2026 (pre-window); stakeholder feedback deadline of 30 March 2026 falls within this period.
- Commission Article 6(5) classification guidelines: missed their 2 February 2026 legal deadline; no publication date issued; high-risk self-assessment obligation remains active without official guidance.

EXECUTIVE SUMMARY

The period 13–27 March 2026 was defined by the EU legislative procedure rather than new substantive law. Both co-legislators adopted aligned negotiating positions on the Digital Omnibus on AI — the Council on 13 March and the Parliament on 26 March by 569–45 — opening trilogue with a Cypriot Presidency target of May 2026 agreement. The proposed extensions (Annex III to December 2027; Annex I to August 2028) would be the most significant change to AI Act compliance timelines since entry into force, but remain proposed law: the 2 August 2026 deadline is unchanged until formal adoption. Simultaneously, the Commission's missed Article 6(5) guidelines deadline and the EP Research Service's confirmation that 19 of 27 NCAs remain unregistered point to a structural implementation deficit that the Omnibus extension, if adopted, would partially address but not resolve.

CLIENT EXPOSURE [SAMPLE - GENERIC ASSESSMENT]

RELEVANCE HIGH	<i>This period directly affects compliance planning timelines for any organisation developing, placing, or deploying AI systems in the EU. The trilogue opening creates a genuine fork between current-law deadlines and probable Omnibus deadlines, requiring a deliberate planning posture rather than a wait-and-see approach.</i> Direct exposure: Providers of Annex III high-risk AI systems face the live fork: August 2026 under current law, December 2027 under the probable Omnibus outcome. GPAI model providers face confirmed AI Office enforcement from August 2026 regardless of any Omnibus outcome. All generative AI providers and deployers face Article 50 transparency obligations from 2 August 2026. Indirect exposure: Law firms, consultancies, and technology advisers with EU AI practices face immediate client communication implications: the Omnibus uncertainty must be reflected in compliance advice now. The NCA gap creates differential enforcement risk across EU jurisdictions that affects cross-border AI deployment strategies. Immediate action need: YES Immediate actions: • Submit or confirm position on Article 50 labelling Code of Practice before 30 March 2026 feedback deadline. • Establish parallel compliance tracks: treat 2 August 2026 as the planning baseline while monitoring Omnibus trilogue for any adoption before that date. • Confirm GPAI Code of Practice compliance status — AI Office enforcement commences August 2026 regardless of Omnibus outcome. • Map all AI systems against Annex III categories using the legal text directly; do not wait for Commission Article 6(5) guidelines.
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KEY DEVELOPMENTS

1. The European Parliament adopted its negotiating mandate on the Digital Omnibus on AI by 569 votes to 45 (abstentions: 23)

STATUS	CONFIDENCE	DATE	ACTOR
[parliament position adopted — trilogue open]	[HIGH CONFIDENCE]	26 March 2026	European Parliament (plenary)

The European Parliament adopted its negotiating mandate on the Digital Omnibus on AI by 569 votes to 45 (abstentions: 23). Parliament proposes to extend Annex III high-risk obligations to 2 December 2027 and Annex I product-integrated obligations to 2 August 2028. The mandate adds a new prohibition on AI nudifier systems to Article 5 and contains limited adjustments to AI Office supervisory competence over integrated GPAI providers. Parliament also backed delaying certain Article 50 watermarking obligations for AI-generated audio, image, video, or text content to 2 November 2026. [S01][S02][S03][S04][S05][S06]

Current legal position: Current law: Annex III high-risk AI systems must comply by 2 August 2026; Annex I product-integrated systems by 2 August 2027. These deadlines remain operative until the Omnibus is formally adopted. The Parliament vote activates trilogue but does not change current law.

Proposed / pending change: *Parliament proposes: Annex III deadline extended to 2 December 2027; Annex I deadline extended to 2 August 2028; new prohibition on AI systems that digitally strip or alter images to produce nudity-depicting content (proposed addition to Article 5).*



Likely landing zone: *[Assessment] Agreement before 2 August 2026 is now more plausible given the substantive alignment between Council and Parliament on the core deadline extensions. The main area of potential negotiation appears to be the scope of AI Office competence over integrated GPAI providers.*

Why it matters now: *This vote materially increases the probability of pre-August 2026 adoption. Organisations that have deferred compliance planning on the assumption of a delay now have a firmer basis for monitoring that scenario, but the current-law backstop remains the planning anchor until formal adoption.*

Assessment: *The Parliament vote resolves the most significant inter-institutional uncertainty about the Omnibus: both chambers want the extensions and are substantively aligned on the core deadline structure. The residual risk is procedural — whether trilogue can conclude and receive formal adoption before 2 August 2026. That risk is non-trivial given the European Parliament's summer recess and the formalities of final adoption. Organisations should treat the August 2026 deadline as binding for operational planning purposes while separately tracking the trilogue calendar.*

Evidence: EP plenary vote confirmed by official EP press release (reliability A). Result corroborated by MediaLaws, Pinsent Masons, EU Perspectives, LexisNexis, and Covington client alerts (reliability B). Mandate text publicly available on EP legislative observatory.

2. The Council formally adopted its negotiating mandate on the Digital Omnibus on AI under the Cypriot Presidency

STATUS	CONFIDENCE	DATE	ACTOR
[general approach adopted — trilogue mandate confirmed]	[HIGH CONFIDENCE]	13 March 2026	Council of the European Union (Cypriot Presidency)

The Council formally adopted its negotiating mandate on the Digital Omnibus on AI under the Cypriot Presidency. The Council position proposes extending Annex III obligations to 2 December 2027 and Annex I obligations to 2 August 2028. The mandate clarifies AI Office supervisory competence over providers of GPAI models that are also integrated into downstream AI systems, with explicit carve-outs for law enforcement, border management, judicial authorities, and financial sector regulators. [S07][S08]

Current legal position: Current law unchanged. The Council mandate is the Council's position for trilogue negotiations — it does not amend the AI Act. The existing Annex III deadline of 2 August 2026 remains operative.

Proposed / pending change: *Council proposes: Annex III deadline to 2 December 2027; Annex I deadline to 2 August 2028; clarification that AI Office has supervisory competence over integrated GPAI providers except where the carve-out categories apply.*

Likely landing zone: *[Assessment] The Council mandate, adopted before the Parliament vote, anticipated and largely matches Parliament's position on the core timeline. The primary trilogue negotiating issue appears likely to be the AI Office competence scope and the breadth of carve-outs. The financial sector carve-out in the Council position is broader than Parliament's approach and is assessed as a probable focus of negotiation.*

Why it matters now: *The Council mandate confirms that the Omnibus has active institutional backing on both sides and establishes the scope of trilogue. The AI Office competence clarification is directly relevant for foundation model providers who build or operate integrated downstream applications.*

Assessment: *The Council's AI Office competence language is the most operationally consequential element of this mandate beyond the headline deadline extensions. Integrated providers — those offering both a GPAI model and downstream applications built on it — currently face ambiguity about whether AI Office or NCAs have primary supervisory jurisdiction. The Council mandate attempts to resolve this but introduces new*



complexity through broad carve-outs. The trilogue outcome on this specific point will determine supervisory risk allocation for a large class of AI providers.

Evidence: Council press release confirmed as primary source (reliability A). Ebner Stolz analysis provides additional interpretive context on the competence clarification (reliability B).

3. Stakeholder feedback on the Commission's second draft Code of Practice on marking and labelling of AI-generated content remained open until 30 March 2026

STATUS	CONFIDENCE	DATE	ACTOR
[implementation — second draft published, feedback open until 30 March 2026]	[HIGH CONFIDENCE]	5 March 2026	European Commission (AI Office)

The Commission published the second draft Code of Practice on marking and labelling of AI-generated content under Article 50(7). The draft adopts a two-layer technical approach combining metadata embedding and visible watermarking, simplifies the AI-generated versus AI-assisted taxonomy for deployers, and includes illustrative examples of a proposed EU labelling icon. Stakeholder feedback remained open until 30 March 2026. Final Code expected in early June 2026. [S09][S10][S11]

Current legal position: Article 50 transparency obligations apply from 2 August 2026. The Code of Practice is a non-binding implementation standard that will inform how the underlying obligations are met in practice. Absence of the final Code does not defer the obligation.

Proposed / pending change: *The second draft proposes a two-layer labelling standard (metadata + visible watermark), a simplified classification taxonomy, and a potential EU icon. None of this is yet finalised.*

Likely landing zone: *[Assessment] The final Code is expected in early June 2026, leaving an approximately eight-week implementation window before the Article 50 obligation applies. The two-layer approach and simplified taxonomy appear stable — no major structural objections have been reported from the first consultation round.*

Why it matters now: *The 30 March feedback deadline falls within this coverage window and is the last formal opportunity to influence the Code before finalisation. Article 50 obligations are not proposed to be delayed by the Omnibus and apply from 2 August 2026 regardless of any trilogue outcome.*

Assessment: *This development predates the coverage window but its operative deadline — 30 March 2026 — falls within it. That makes it relevant to this period as a live implementation milestone rather than a fresh legislative event. The Code of Practice matters because Article 50 obligations are not proposed to be delayed by the Omnibus. The two-layer technical standard sets a higher implementation bar than many deployers have planned for, particularly in sectors where post-generation manipulation is common. Any organisation producing generative AI content should have reviewed the draft before the 30 March deadline.*

Evidence: Commission publication confirmed as primary source (reliability A). CEPIC and Two Birds provide additional context on the draft's practical implications (reliability B).

4. The EP Research Service published a briefing on AI Act enforcement confirming that only 8 of 27 EU member states had registered a single point of contact (SPOC) with the Commission as of March 2026, seven months after the 2 August 2025 designation deadline

STATUS	CONFIDENCE	DATE	ACTOR
[implementation — enforcement gap]	[HIGH CONFIDENCE]	18 March 2026	European Parliament Research Service



confirmed by
parliamentary research]

The EP Research Service published a briefing on AI Act enforcement confirming that only 8 of 27 EU member states had registered a single point of contact (SPOC) with the Commission as of March 2026, seven months after the 2 August 2025 designation deadline. The briefing characterises the EU AI enforcement model as a hybrid structure: the AI Office holds primary supervisory authority over GPAI models and systemic risk; national market surveillance authorities (NCAs) are responsible for Annex III high-risk AI systems. [S12]

Current legal position: The AI Act requires each member state to designate a national competent authority and register a SPOC with the Commission by 2 August 2025. That deadline has passed. As of March 2026, only 8 of 27 single contact points appeared on the Commission list referenced by the EPRS briefing. The AI Office is operational and has supervisory authority over GPAI providers.

Likely landing zone: *[Assessment] NCA designation is assessed as likely to accelerate in advance of the August 2026 high-risk obligations, but the current infrastructure deficit means enforcement capacity will vary significantly across the EU for the foreseeable future. Member states with more advanced digital regulation infrastructure are assessed as likely to have more active NCA functions earlier, creating a de facto enforcement geography.*

Why it matters now: *The enforcement gap means organisations face meaningfully different regulatory risk depending on which member state's NCA has jurisdiction over their AI systems. A well-resourced NCA may begin active surveillance shortly after August 2026; an NCA in a member state that has not yet registered may not be operationally capable of enforcement for months or years after that.*

Assessment: *The NCA enforcement gap is the most practically significant implementation finding of this coverage period for compliance planning. It does not reduce legal obligations — organisations in non-designated member states still face the same AI Act requirements. But it materially affects the probability and timing of enforcement action, and should inform prioritisation decisions about where to focus early compliance efforts. Organisations operating predominantly in member states with well-resourced NCAs should treat August 2026 as a hard deadline. In other jurisdictions, the practical pace of enforcement may be slower, but the legal obligations remain the same*

Evidence: EP Research Service briefing is a primary institutional source (reliability A). The 8-of-27 SPOC figure is drawn from the briefing's own data. No independent verification of the underlying registration data is available from public sources.

DECISION POINTS — NEXT 30 / 60 / 90 DAYS

WINDOW	EVENT	WHY IT MATTERS	OWNER
Next 7 days	Article 50 Code of Practice stakeholder feedback deadline: 30 March 2026.	Last structured opportunity to influence the labelling Code before June 2026 finalisation. Article 50 obligations apply August 2026 regardless of Omnibus outcome.	Legal / Policy
Next 30–60 days	First trilogue session on Digital Omnibus on AI; Cypriot Presidency	First trilogue session will signal whether the Council/Parliament alignment holds and whether May 2026 is achievable. Any signal of	Policy / Legal

	targeting May 2026 agreement.	divergence or delay affects planning tracks.	
Next 60 days	Final Code of Practice on AI content labelling: Commission publication expected early June 2026.	Sets definitive technical standard for Article 50 compliance. Leaves approximately eight weeks before the obligation applies.	Legal / Compliance
Next 60–120 days	Commission Article 6(5) classification guidelines: publication date unconfirmed.	If published before Omnibus adoption, would provide the first official classification guidance since the regulation entered into force. If not published before August 2026, self-assessment burden remains in full.	Legal / Compliance
Next 90+ days	AI Office enforcement commencement over GPAI providers: 2 August 2026.	Marks the start of active AI Office enforcement against GPAI model providers. Any compliance gaps in the GPAI Code of Practice implementation should be resolved before this date.	Legal / Compliance / Product

ANALYTICAL CAVEATS

- D3 (Article 50 Code, 5 March) predates the coverage window and is classified as pre_window_live. This was included because it has operationally live compliance significance.
- The EP vote result (569–45) is confirmed by primary source. The specific mandate text details draw on secondary sources pending full legislative observatory publication.
- The 8-of-27 NCA SPOC figure is drawn from the EP Research Service briefing. Independent verification of the underlying Commission registration database is not available from public sources.
- The Omnibus trilogue timetable is subject to the European Parliament's summer recess, which creates a practical adoption window that closes in late July 2026 if not agreed before recess. This constraint is not reflected in any official source but is a known legislative procedure constraint.
- No Commission source has confirmed a revised Article 6(5) guidelines publication date. The inference that guidelines will be deferred pending Omnibus outcome is analytical, not confirmed.

SOURCE RATING LEGEND

- [A] Primary — official document, court record, institutional press release, legislative text, regulatory decision
- [B] Secondary credible — established news outlet, reputable think tank, law firm alert, verified civil society organisation
- [C] Secondary unverified — single journalist or blog, unconfirmed reporting, informal channel, anonymously sourced

SOURCES

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- [S02] “The EU Parliament Plenary adopts text to amend the Digital Omnibus on AI”, 2026-03-26, <https://www.medialaws.eu/the-eu-parliament-plenary-adopts-text-to-amend-the-digital-omnibus-on-ai-a-head-of-council-negotiations/> [B]
- [S03] “EU Parliament delays AI rules to 2027, backs ban on nudifier apps”, 2026-03-26, <https://euperspectives.eu/2026/03/parliament-backs-delay-ai-rules-and-support-ban-on-nudifier-apps/> [B]
- [S04] “EU AI simplification package reaches critical milestone”, 2026-03-26, <https://www.pinsentmasons.com/out-law/news/eu-ai-simplification-package-reaches-critical-milestone> [B]
- [S05] “European Parliament adopts Digital Omnibus AI proposal on amending EU AI Act”, 2026-03-26, <https://www.lexisnexis.co.uk/legal/news/european-parliament-adopts-digital-omnibus-ai-proposal-on-amending-eu-ai-act> [B]
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- [S07] “Council agrees position to streamline rules on Artificial Intelligence”, 2026-03-13, <https://www.consilium.europa.eu/en/press/press-releases/2026/03/13/council-agrees-position-to-streamline-rules-on-artificial-intelligence/> [A]
- [S08] “EU Parliament and Council in favour of new deadlines and bans on AI regulation”, 2026-03-24, <https://www.ebnerstolz.de/en/what-we-offer/services/legal-advice/it-law-and-data-protection/eu-ai-act-digital-omnibus-deadlines-bans-ai-regulation-103007.html> [B]
- [S09] “Commission publishes second draft Code of Practice on Marking and Labelling of AI-generated content”, 2026-03-03, <https://digital-strategy.ec.europa.eu/en/library/commission-publishes-second-draft-code-practice-marking-and-labelling-ai-generated-content> [A]
- [S10] “Commission publishes second draft of Code of Practice on Marking and Labelling”, 2026-03-05, <https://www.cepic.org/post/commission-publishes-second-draft-of-code-of-practice-on-marking-and-labelling-of-ai-generated-content> [B]
- [S11] “Understanding the Draft Transparency Code of Practice”, 2026-03-01, <https://www.twobirds.com/en/insights/2026/taking-the-eu-ai-act-to-practice-understanding-the-draft-transparency-code-of-practice> [B]
- [S12] “Enforcement of the AI Act”, 2026-03-18, <https://epthinktank.eu/2026/03/18/enforcement-of-the-ai-act/> [A]