



Joint Industry Statement on the Implementation of the EU AI Act

To Seize AI Potential in Europe, Follow the Draghi Report: Reduce Regulatory Burden, Focus on Enabling AI Uptake and Innovation

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The implementation phase of the EU AI Act will be instrumental in determining the extent to which the Regulation delivers on its promises of providing a regulatory framework conducive to European AI innovation and future competitiveness. Corresponding secondary legislation, particularly the Code of Practice for GPAI model providers, is an important opportunity to clarify key aspects of the law and deliver the legal certainty needed for effective compliance.

In this context, the signatories, representing leading organizations in the technology, security, business, SMEs, and innovation sectors, highlight key concerns to the European Commission and, in particular, the EU AI Office that are critical for Europe's objective to lead in new technologies, by boosting Artificial Intelligence innovation across the continent, namely:

1. An increased regulatory burden by proposing extra legislation or extra requirements through corresponding secondary legislation;
2. A complex and burdensome process to implement the EU AI Act.

With the world now at the dawn of another digital era triggered by the development of artificial intelligence (AI), Europe has a unique chance to harness it and foster innovation and productivity to improve its global competitiveness.

In that context, the [Draghi report](#) expressly warns that Europe's "regulatory barriers to scaling up are particularly onerous in the tech sector, especially for young companies" and that "the EU's regulatory stance towards tech companies hampers innovation: the EU now has around 100 tech-focused laws and over 270 regulators active in digital networks across all Member States".

The European Union achieved a major milestone: the adoption and entry into force of the EU AI Act in August 2024, the first-ever comprehensive legal framework pertaining to AI globally, with many other regions and countries looking with increased interest at its implementation.

However, while the Act has entered into force, many of its provisions have a staggered timeline for application. Many key issues have yet to be fully clarified through secondary legislation and *soft law* instruments (code of practices, guidelines, etc.) to ensure that the implementation of the Act provides increased legal certainty and truly supports AI innovation and safety in Europe.

In that context, we want to flag potentially concerning AI policy trends which may result in:

- Increasing the regulatory burden on companies that will tip the carefully crafted balance between safety and innovation by proposing extra AI-related legislation that may not be necessary (e.g., the AI Liability Directive proposal, which seeks to add more liability rules on AI, despite the recently adopted [Directive \(EU\) 2024/2853 on Product Liability](#), a concern also shared by a significant number of Member-States in the Council) or [beyond the scope of what is mandated in the AI by proposing additional requirements](#).
- Adding extra requirements of political or legislative nature not foreseen in the scope of the EU AI Act in the Code of Practice for Providers of General-Purpose AI models, notably far-reaching copyright-related measures or through the very wide interpretation of the interplay between the AI Act and the Radio Equipment Directive. Such practices are not conducive to a stable, predictable regulatory environment that fosters competitiveness.
- Imposing an overly complex process that already had to abide by the significantly short deadlines of the Act, in contradiction with the reasoned and carefully thought-through process that led to the Act. Indeed, the Commission opted for a heavy, burdensome, and consequently too short process which *de facto* created so much input - in writing and in meetings – leading to a situation in which stakeholders only received a first draft of the Code 3 and a half months after the 9-months clock of the Act started ticking.
- The current lack of clarity surrounding the AI Act’s high-risk applications and the need for clear, proportionate, and timely guidance from the AI Office.

The European Union’s ambition to retain and strengthen its role as an AI global leader is going to be undermined by these concerning trends of increased regulatory burden and fast-track adoption of secondary legislation. These trends risk further exacerbating the obstacles to the EU’s competitiveness, such as technology adoption and regulatory complexity identified by the Draghi report, which states that “the key driver of the rising productivity gap between the EU and the US has been digital technology” and that “Europe’s position in the advanced technologies that will drive future growth is declining.”

Finally, a cornerstone of the report has not received the attention it deserves: the focus on key enablers such as funding, incentives for investments, access to data, and infrastructure. According to the Draghi report, “public spending lacks scale and is insufficiently focused on breakthrough innovation,” attested by the example that Europe spent less on research and innovation (R&I) – EUR 270 billion less than their US counterparts in 2021. By overly focusing on regulatory barriers and without ambitious support for technological development and adoption, Europe risks being left behind in the AI race.

In conclusion, if the ambition of the European Commission and the EU AI Office is to support the development and deployment of AI in Europe, in order to foster a strong European AI ecosystem and a global leadership role, it needs to significantly shift its current approach by:

1. reducing rather than increasing regulatory burden by ascertaining whether additional legislative measures are necessary and by respecting the original requirements provided by the AI Act rather than seeking to broaden its scope *ex-post*; and
2. providing an adequate and timely process to adopt secondary legislation and *soft law* by taking into account sufficient time for stakeholders to provide their expert opinion and ensure such outputs deliver their promised clarity rather than additional complexities and restrictions.

Only with those considerations can Europe “maintain its manufacturing leadership and develop new breakthrough technologies.”

SIGNATORIES:

Allied for Start-ups

Business Software Alliance

CCIA – Computer and Communications Industry Association

DOT Europe

ITI - Information Technology Industry Council

ORGALIM – Europe’s Technology Industries

SAPIE - Slovak Association for Innovation Economy

ZPP – Polish Union of Entrepreneurs and Employers