

European Cyber Agora: AI, Transatlantic Alignment and Geopolitics

The German Marshall Fund convened two workshops in February 2024 as part of the European Cyber Agora workstream on “AI, Transatlantic Alignment, and Geopolitics.” The following takeaways will inform the discussions at the annual conference on April 23-24, 2024 in Brussels.

WORKSHOP I: Taking Stock of EU and US AI Regulation

The first workshop addressed the opportunities, challenges, needs and potential alignment of transatlantic AI policies.

➤ **Main challenges of AI regulation: the US perspective**

The United States wants to dive into direct innovation, creating private sector incentives to build new AI systems. At the same time, the Executive Order on AI aims to ensure democratic values are built into and respected when using AI-based technology. The US believes both the EU and US need to regulate and build AI systems based on shared values. While barriers exist, such as economic disincentives to sharing data, there is willingness to explore exchange of research and resources between partners. The US is unlikely to reach the level of regulation of the EU AI Act, but more actions can and should be undertaken, including at the state level.

➤ **Main challenges of AI regulation: the EU perspective**

The EU is generally supportive of a transatlantic relationship on AI, but differences emerge regarding the scope and approach. There is no conclusive agreement on the specific types of transatlantic cooperation, collaboration, and dialogue. While each side focuses on developing effective regulation, the next logical step is to aim for convergence and interoperability. Although the instruments are different, democratic values provide a solid common ground upon which to build. There is significant room for convergence and further alignment, for instance between AI definitions and taxonomies. Finally, the transatlantic relationship needs a greater coordinated and effective focus on human rights and AI.

➤ **Protecting rights vs. economic competitiveness: A false choice?**

There should not be a trade-off between protecting rights and fostering competitiveness. However, there are several challenges, including compliance costs, staffing issues, the need to engage both the private sector and NGOs in high-level political meetings, uncertainty in obligations from high-risk AI, and ensuring funding for projects on AI.

➤ **Implications of EU and US AI regulations for national security**

The EU and the US do not always understand national security in similar terms. The US has put AI at the center of the security and defense discussion while the EU has a different understanding. Overall, the EU and US need further cooperation on the implications of AI in security and defense, at least in terms of information-exchange.

➤ **The challenge for 2024: Elections**

We should expect friction between the US and the EU on a regulatory level, especially with the uncertainties around the November US elections. The US approach to China will be the most enduring piece politically, regardless of the outcome. Transatlantic work on AI should persist, but despite the efforts made by US and EU officials to ensure that the TTC will outlive the elections, there are doubts about how feasible this is.

WORKSHOP II: EU and US cooperation in the global race on AI

The second workshop addressed the opportunities and challenges for the transatlantic relationship when promoting agendas and initiatives on AI with third countries and in international fora, such as the United Nations or *ad hoc* coalitions.

➤ **The role of the EU-US Trade and Technology Council in engaging with third countries**

While the EU-US TTC provides opportunities for bilateral cooperation, the platform has produced a limited number of initiatives in association with third countries. While the lack of a common attitude vis-à-vis China does not necessarily impede all EU-US cooperation, many third countries may not be incentivized to cooperate with the TTC, fearing uncertainty about their own national interactions with Chinese stakeholders.

➤ **Plugging transatlantic cooperation into international fora**

The Hiroshima Process through the G7 is a worthwhile global governance initiative. But there is a need for further alliances outside small clubs. The EU and US need to partner with developing countries beyond the traditional lens of development cooperation. There is a need to increase the funding, initiatives, and quality of engagement with the Plural South through economic strategic investments, high-level political and institutional meetings, and continuity in working-level coordination. Engagement with “regional champions” like Colombia, Brazil, and India is crucial, and with stakeholders to aid in on-the-ground outreach and engagement. Member States also play a significant role, especially within the private sector. Strategic approaches for engagement in the short and long term include working beyond pure regulatory convergence, engaging in dialogue with external partners from an early stage, promoting intra-institutional coordination within the EU, focusing on implementation of projects, and assisting countries with risk management, for example in Ukraine.

About the European Cyber Agora

The European Cyber Agora (ECA), an initiative led by the German Marshall Fund, Microsoft and the EU Cyber Direct project at the EU Institute for Security Studies, is a multi-stakeholder platform bridging the gap between government, civil society, and industry across the EU to shape the European technology and cybersecurity policy agenda and identify European perspectives on global cybersecurity policy debates. It promotes collaboration across sectors including diverse voices and contributes to evidence-based policymaking through research-driven and stakeholders' engagement oriented to deliver practical outcomes. Since 2021, the European Cyber Agora has demonstrated the need for a dedicated European platform to leverage multistakeholder input in EU policymaking. In 2024 the ECA community and partners will convene throughout the year in four different workstreams tackling issues that include: 1) the future of multistakeholder cyber diplomacy, 2) taking stock of the EU cybersecurity policy, 3) AI, transatlantic alignment and geopolitics, and 4) the role of the private sector during hybrid conflict. The European Cyber Agora will also convene in Brussels at its 4th Annual Conference on 23-24 April 2024.

About GMF

The German Marshall Fund of the United States (GMF) is a nonpartisan, nonprofit, transatlantic organization headquartered in Washington, DC, with offices in Ankara, Belgrade, Berlin, Brussels, Bucharest, Paris, and Warsaw. GMF envisions a democratic, secure, and prosperous world in which freedom and individual dignity prevail. GMF strives to champion democratic values and the transatlantic alliance by strengthening civil society, forging bold and innovative policy ideas, and developing a new generation of leaders to tackle global challenges. GMF delivers hope by upholding the dignity of the individual and defending freedom in the spirit of the Marshall Plan.