

General-Purpose AI Code of Practice

NOVEMBER 2024

EUTA brings together leading European tech companies from diverse sectors, business models, and sizes. Our members have expanded across the EU by leveraging the power of artificial intelligence (AI) to drive innovation, enhance products and services, optimise operations, and better serve their customers.

EUTA welcomes the fact that industry is able to provide input in developing the GPAI Code of Practice. We welcome the iterative and multi-stakeholder approach, as well as its recognition of areas where additional guidance is necessary. As highlighted in the Report on European Competitiveness by Mario Draghi, the EU still has the potential to lead in AI development. However, to realise this potential, it must avoid overregulation and ensure harmonisation and consistency within the Single Market, an objective EUTA fully supports.

General Feedback

- **Stakeholder input:** The rapid pace of AI Act deliberations limited stakeholders' ability to provide thorough input, favouring large, well-resourced incumbents over European tech companies, who risk being sidelined. This also raises concerns about the ability of GPAI working group chairs and the AI Office to fully consider industry feedback. We urge them to clarify how stakeholder input is assessed and to explain the rationale behind accepting or rejecting contributions. Moreover, a two week period to examine a complex and lengthy draft of the Code of Practice has proven to be extremely short for our members. For future iterations of the Code, we call for a longer consultation window.
- **Striking a balance:** The first draft of the Code of Practice is already lengthy and overly prescriptive, with a broader scope than the AI Act intended. Drafters of the Code must ensure that the Code requirements do not go beyond the provisions outlined in the AI Act. Otherwise, the whole drafting process would lose legitimacy, as the Code would no longer represent guidance on how the GPAI provisions of the AI Act should be implemented, but rather an attempt to legislate beyond the AI Act outside the EU legislative process, and with a worrying departure from Better Regulation principles..
- **Lack of clarity:** The Code lacks clarity as regards some of its underlying concepts/definitions. For instance, between deployers and providers are unclear, and overloads providers with excessive detail, such as KPIs. Concepts such as "fine tuning" of a GPAI model are also not clear and require clarifications. The scope of companies affected by the Code could change significantly depending on how these concepts are defined or not. The Code's emphasis on

“deployment” rather than “release,” despite the legal distinction, further complicates compliance.

- **Impact assessment:** The inclusion of the general-purpose AI provision in the AI Act was introduced during the negotiation process and, as such, has not been subjected to an impact assessment by the European Commission. This raises uncertainty about its concrete effects on the ability of European tech companies to innovate and compete globally, making it crucial to consider these implications when drafting the Code of Practice. A de minimis approach in the drafting of the Code is therefore required, in light of the uncertainty as to the impact on innovation and competitiveness on the General Purpose AI provisions of the Act.

Feedback on WG 1: Transparency and copyright-related rules

- **Transparency and documentation obligations:** The draft Code of Practice requires significant legal, technical, and operational investments, posing challenges for managing large-scale data pipelines and risking conflicts with intellectual property. Regulatory obligations should remain minimal, focusing on a risk-based approach and fostering collaboration among AI developers to support growth and participation.

Feedback on WG 2: EU General-Purpose AI Code of Practice

- **Alignment with the AI Act:** There are a number of comments in the Code of Practice that are outside of its scope:
 - a) The Code of Practice is intended to help signatories demonstrate compliance with the AI Act. However, this draft Code goes beyond the AI Act scope itself.
 - b) The draft Code of Practice introduces obligations not only for GPAI providers but also for deployers, a significant shift from the original scope outlined in the AI Act. This raises concerns about clarity and accountability, as the legal and operational distinctions between providers and deployers are crucial for compliance and implementation.
 - c) The draft adds additional requirements for GPAI providers, such as enhanced documentation of acceptable use policies, detailed disclosures on system architecture, and energy consumption reporting. These new obligations exceed what is stipulated in the AI Act.
 - d) While the AI Act mentions risk assessments, it does not mandate external evaluations¹. The draft Code of Practice suggests provisions for external evaluations of GPAI models with systemic risks, a requirement not explicitly outlined in the AI Act. The final Code of Practice should provide clear guidance on the scope, standards, and mechanisms for external evaluations.

Feedback on WG 3: Risk mitigation measures for systemic risks

- **Broad GPAI definitions:** The definition of GPAI and its scope need clarification, as ambiguities in the draft Code create uncertainty about what qualifies as GPAI. This includes whether classical

¹ [Recital \(114\)](#) “[...] To achieve those objectives, this Regulation should require providers to perform the necessary model evaluations, in particular prior to its first placing on the market, including conducting and documenting adversarial testing of models, also, as appropriate, through internal or independent external testing. [...]”

AI methods, like logistic regression or similar statistical techniques, are subject to the same requirements. The final Code should clearly define the criteria distinguishing AI systems to ensure legal certainty and avoid unnecessary compliance burdens.

Conclusion

The European Tech Alliance believes the GPAI Code of Practice represents an important step towards establishing Europe as a global leader in responsible AI governance. While the EU has a history of setting global standards, as seen with the GDPR, the AI Act’s potential to achieve a similar “Brussels effect” is uncertain. Its strict requirements contrast sharply with the flexible approaches of the UK, US, and China, raising concerns about European competitiveness. High compliance costs risk stifling innovation, pushing AI training outside the EU and compromising data quality. A balanced framework is vital to support innovation while safeguarding fundamental values. By addressing the concerns and recommendations outlined in this paper, the Code of Practice can create a framework that enables European technology champions to lead the development of trustworthy and innovative AI systems. EUTA remains committed to working with policymakers and stakeholders to achieve these common goals.

About the European Tech Alliance

EUTA represents leading European tech companies that provide innovative products and services to more than one billion users². Our 31 EUTA member companies from 16 European countries are popular and have earned the trust of consumers. As companies born and bred in Europe, for whom the EU is a crucial market, we have a deep commitment to European citizens and values.

Our members



² It reflects users, consumers and business customers from EUTA member companies, per year. It includes overlaps but illustrates the reach and impact of our services.