

Macro Roundup Article

Headline: [EU's New AI Act Risks Hampering Innovation, Warns Emmanuel Macron](#)

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Tweet: [Macron warns that new EU AI regulations will significantly harm Europe. "We can decide to regulate much faster and much stronger than our major competitors. But we will regulate things that we will no longer produce or invent. This is never a good idea."](#)

Summary: Macron said he was concerned that the new law means the EU will enforce the world's toughest regime on so-called foundational models, the technology that underpins generative AI products such as OpenAI's ChatGPT. Macron's comments may presage a new battle over the final terms of the AI Act, which still needs to be ratified by member states over the coming weeks. "The stakes are high and the French will try to block this," said a person with knowledge of the talks, although they thought the text would ultimately be agreed despite opposition. French negotiators had tried to water down the proposed rules in marathon talks last week, but ultimately the bloc moved towards a tough regulatory regime that imposes new transparency requirements on powerful AI models as well as strict restrictions on the use of facial-recognition technology. The new rules, which will probably come into force in early 2025, also introduce prohibitions on the use of AI for "social scoring", the use of metrics to classify people based on their behaviour or personal characteristics. Related: [Attenuating Innovation \(AI\)](#) and [Top Google AI Experts Pick Japan To Set Up On Their Own](#)

Primary Topic: Innovation/Research

Topics: Fiscal Policy, Innovation/Research, Investment, News article, Productivity, Regulation

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