

CCIA Europe's Response to European Commission Public Consultation Making the Apply AI Strategy work

The Computer & Communications Industry Association ([CCIA Europe](#)) welcomes the opportunity to provide feedback on the European Commission's forthcoming Apply AI Strategy.

The Association supports the key objectives identified by the Commission: fostering the adoption of artificial intelligence (AI) technologies across the entire EU, unlocking the innovation potential of AI, enabling EU companies to become global frontrunners, and promoting the integration of AI solutions in the public sector.

As a strong supporter of the EU's drive for simplification and enhanced competitiveness, CCIA Europe puts forward three key recommendations to truly foster AI innovation and adoption across all sectors:

- I. Deliver a robust and effective framework for the development and deployment of GPAI models
- II. Embrace the economic opportunities of AI deployment at scale
- III. Achieve meaningful and ambitious simplification of AI-related rules

I. Deliver a robust and effective framework for the development and deployment of GPAI models

The European Commission's recent AI Continent Action Plan and the forthcoming Apply AI Strategy together have the potential to accelerate AI adoption and boost Europe's digital competitiveness. While these objectives are laudable and could lay a strong foundation for AI growth in the EU, they still have to be translated into concrete and immediate actions.

The right implementation of the AI Act's rules for providers of general-purpose AI (GPAI) models – including the upcoming Code of Practice for GPAI providers, the guidelines clarifying the GPAI rules, and the template for the public disclosure of a summary of training data – will be key if the EU really wants to become an 'AI continent'.

A robust and effective framework for GPAI model development and deployment must be fully aligned with the AI Act, clear and proportionate, and (most importantly) workable in practice. In line with the AI Continent Action Plan, this framework needs to prioritise innovation, simplification, and legal certainty. Rushing the implementation of the GPAI rules would undermine the AI Act's own goal of enhancing legal certainty – and risk stifling the very innovation it seeks to promote.

With less than two months until the GPAI rules enter into application on 2 August 2025, and fundamental components of the framework (Code of Practice, guidelines, training data summary) still missing, **CCIA Europe calls on the Commission to postpone the AI Act's implementation timeframe.** Additional time is needed to finalise the framework and ensure companies have a reasonable compliance window, in line with established EU rules.

The postponement is essential not only to give companies enough time to prepare, but also to ensure the framework itself is comprehensive, well-considered, and genuinely fit for

purpose. This is important, as it must support, rather than hinder, the development and deployment of GPAI models in the EU.

II. Embrace the economic opportunities of AI adoption deployment at scale

As a deeply transformative set of technologies, AI is expected to bring substantial benefits to the EU economy, its global competitiveness, and society at large. The Commission itself notes that AI is expected to have a net impact of €3.4 trillion on the EU economy by 2030.

The fundamental, yet still largely untapped, potential of AI lies in the transformation of existing businesses and industries, where the majority of economic value creation is taking place. The Apply AI Strategy's objective to foster the integration of AI technologies in the EU's leading industrial sectors, and to foster the integration of AI solutions in the public sector, are laudable goals that will help increase the productivity of EU industry. However, achieving these goals requires a holistic approach that supports the entire AI ecosystem, from foundational model development to widespread deployment of tangible applications.

CCIA Europe calls on the Commission to fully embrace the economic opportunities of AI adoption and deployment, including by acknowledging the substantial benefits that ongoing investments and technological advances are already bringing to EU companies.

A recent Financial Times article highlights that AI, and the related surge in demand for data centres, have added more than €150 billion to the market caps of just four of Europe's oldest industrial groups alone.¹ This underscores the broader economic impact of AI investments, which appears to be underestimated in the Commission's Call for Evidence.

III. Achieve meaningful and ambitious simplification of AI-related rules

The AI Continent Action Plan makes regulatory simplification one of its five core pillars. In order to achieve the Apply AI Strategy's objectives of unlocking the potential of innovation and enabling EU companies to become global frontrunners in AI development and deployment, a meaningful and ambitious simplification agenda is needed.

These simplification efforts should focus on delivering improvements across the entire AI value chain, rather than creating fragmented compliance regimes. For instance, the introduction of new exemptions based on company size risks inadvertently creating friction, especially for the many smaller players operating in B2B environments, where larger partners still would require full compliance. Simplification needs to benefit all market participants – not just a narrow slice of companies – and follow a risk-based approach in order to maintain appropriate safeguards, while lowering the regulatory burden.

Simplification not only needs to translate into the effective implementation of AI Act rules, and the Act's alignment with other regulations, but also in red tape cutting and the easing of regulatory burden on companies. The Commission's forthcoming 'Omnibus' simplification

¹ Ian Johnston, Mercedes Ruehl, Patricia Nilsson, 'AI boom adds €150bn to value of four of Europe's oldest industrial groups', 27 May 2025, Financial Times, accessible at: <https://www.ft.com/content/c0f318d5-7daa-449f-9a53-d37c57029489>

package for digital rules, expected by the end of the year, presents a key opportunity to streamline rules, enhance legal certainty, and boost innovation. The ambition level of this package will be crucial to creating an environment where companies feel confident to invest and deploy AI technologies across the European Union.

Moreover, simplification efforts need to seek alignment with international norms and standards, including those established by the OECD and G7. This will enhance the competitiveness of EU companies and facilitate global investments in Europe. International alignment also means removing references to the extraterritorial application of certain copyright measures from the AI Act, which run against the fundamental principle of territoriality of copyright and are both technically and economically infeasible.

To prevent fragmentation of the Single Market and ensure consistent interpretation, the Commission should also establish mechanisms for mutual recognition and uniform interpretation of requirements by national market surveillance authorities. This would increase legal certainty and prevent the need to adapt AI solutions to each of the 27 EU Member States. Likewise, the Commission's AI Office should act as a central enforcement authority for transparency requirements applicable to low-risk applications, with a view to reducing the administrative burden for companies with cross-border operations.

To achieve these objectives, **CCIA Europe calls on the Commission to postpone the application of certain AI Act requirements, in particular where standards are unavailable or delayed.**

Moving forward without agreed-upon standards in place would create significant uncertainty and compliance challenges, potentially leading to market fragmentation and hindering the development of a cohesive AI ecosystem. EU authorities should therefore give companies enough time to remedy any good-faith non-compliance before imposing penalties – particularly given the complexity of implementation without finalised standards.

Streamlining the AI Act rules with other relevant EU regulations, in particular the General Data Protection Regulation (GDPR), will be key. For example, companies should be granted the right to determine how their Data Protection Impact Assessments fulfil the Fundamental Rights Impact Assessment requirements for high-risk AI systems, building upon Article 27(4) of the AI Act. CCIA Europe has already issued detailed recommendations on how to navigate the intersection of the GDPR and AI Act.²

Moreover, we recommend reconsidering the broad classification of emotion-recognition systems as high-risk AI systems. A more nuanced approach should exclude basic customer service applications. The exceptions in Article 6(3) AI Act should also exempt systems that do not pose a significant risk of harm, such as emotion recognition for market research.

Conclusion

CCIA Europe stands ready to support the EU institutions in creating a regulatory framework that truly fosters AI innovation and adoption across Europe, boosts the EU's competitiveness, and ultimately benefits EU citizens, governments, and businesses alike.

² CCIA Europe, 'Navigating the intersection of GDPR and AI: The need for a practical roadmap', April 2025, accessible at:

<https://ccianet.org/wp-content/uploads/2025/04/CCIA-Europes-Recommendations-on-GDPR-and-AI.pdf>

The Apply AI Strategy can significantly contribute to the vision of Europe as a leading and competitive 'AI continent', but only if it focusses on a workable GPAI framework, fully embraces economic opportunities through scaled AI deployment, and comes with ambitious regulatory simplification.

About CCIA Europe

The Computer & Communications Industry Association (CCIA) is an international, not-for-profit association representing a broad cross section of computer, communications, and internet industry firms.

As an advocate for a thriving European digital economy, CCIA Europe has been actively contributing to EU policy making since 2009. CCIA's Brussels-based team seeks to improve understanding of our industry and share the tech sector's collective expertise, with a view to fostering balanced and well-informed policy making in Europe.

Visit ccianet.eu, x.com/CCIAEurope, or linkedin.com/showcase/cciaeurope to learn more.

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