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**Since it was put forward by the European Commission in May 2020, the concept of “*open strategic autonomy*” has become a centrepiece of the EU’s action in its internal and external dimensions. Another relevant idea is that of the “Brussels Effect”, which refers to the unique way how EU rules are capable to exert global influence. Putting the two together, the EU finds itself in the unique position to practice a mode of leadership open to anyone willing to share its values and recognising its rules, that we could call “*open regulatory leadership*”.**

Open strategic autonomy is aimed at leading the way on the green and digital transition, to enable the EU to take a primary role in setting rules at the global level. Thanks to this, the EU will be able to win the challenge posed by alternative socio-economic models, benefitting from the first mover advantage in defining norms that can become global standards - especially in the field of digital and green technologies. What is more, the EU is not alone the global market of policy ideas. Therefore, this action becomes even more crucial not just to support the European strategy in this domain, but also as an alternative to other models that are being developed and proactively pushed by other world powers.

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This short essay focuses on the intersection of these themes with digital and tech policy, an area where the EU is currently very active in setting new rules for the years to come. This is not only because this policy field was relatively less regulated than others, but also due to the strategic importance of technology in view of the dynamics that characterise the interconnected world economy. This is embodied in the concept of “*technological sovereignty*” (sometimes “*digital sovereignty*”), linked to one of the headline ambitions of the von der Leyen Commission (2019-2024), which is “A Europe fit for the digital age”.

**Thus, two questions are in order. First, is the EU aware of the strategic importance of regulatory leadership in the digital field? Some of the most recent initiatives of the European Commission give a clear and positive answer to this question.**

The European Declaration on Digital Rights and Principles for the Digital Decade, proposed by the Commission in January 2022, proclaims “*the ambition that the principles serve as an inspiration for international partners to guide a digital transformation which puts people and their human rights at the centre throughout the world.*”

In the Strategic Foresight Report 2021, the Commission writes that the EU is in competition for ‘first mover’ advantage in standard-setting, particularly in emerging technologies – from Artificial Intelligence (AI) to blockchain, from quantum to digital currencies – and green technologies, such as hydrogen, energy storage, offshore wind and sustainable transport. The 2022 edition of the Report goes one step further: it makes an explicit link between the EU’s ability of setting international standards – where a more strategic approach must be developed – and the potential success of the EU’s economy to move towards an economic model of “competitive sustainability” – one that is embedded in the values of fairness and sustainability and at the same time capable of delivering economic stability and productivity.

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Similarly, in the EU Strategy on Standardisation, the Commission recognises the strategic importance of norms and standard setting, it recognises that the EU is lagging behind in this field and sets out the actions to close the gap. In line with the paradigm to remain open, the way forward is identified in multilateralism and alliance with likeminded partners. A concrete example of this approach is represented by the work under the new format of Trade and Technology Council recently launched with the United States and India, as well as the newly-established Digital Partnerships with Japan and South Korea, already planned also with Singapore.

Particular attention to cooperation in digital policy with likeminded third countries can be found, for instance, in the Note on Regulation of the EU Digital Economy drafted by the current Trio Presidency (France, Czech Republic, and Sweden). Thus, Member States, which at the moment are fundamental drivers of EU policymaking, appear to be well-aware of the opportunities and responsibilities associated with open regulatory leadership. Also in the European Parliament, the other co-legislator, the implications of the Brussels Effect come up in many debates around digital policymaking. Just to cite one example, the European Parliament's Report on artificial intelligence in a digital age *"acknowledges that establishing the world's first regulatory framework for AI could give the EU leverage and a first-mover advantage in setting international AI standards based on fundamental rights as well as successfully exporting human-centric, 'trustworthy AI' around the world."*

**Having acknowledged that EU institutions are aware of how crucial it is for the EU to practice *open regulatory leadership*, the second question to be addressed is the following: what is the EU doing to achieve it? In other words, does the "Brussels Effect" in digital policy truly exist and is it proactively used as an instrument to support the open strategic autonomy objectives?**

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The term “Brussels Effect” synthesises different explanations for the EU’s unique ability to influence rules in third countries. Supposedly, by virtue of its market size, regulatory capacity and stringent regulation on specific markets and targets, the EU exerts its influence both *de jure* – third countries emulate EU regulations domestically – and *de facto* – multinational companies abide by EU rules even when subject to other jurisdictions.

An article recently published by *Digital Society* explores the issue in relation to data protection rules, in an attempt to answer the question of why and how the EU rules global digital policy. Since the General Data Protection Regulation (GDPR) was passed in 2016, it has been commonly defined as the “gold standard” data protection law and has become the paramount example of EU regulation in the digital field holding a truly global reach. Empirical evidence collected through qualitative interviews with 40 policymakers, stakeholders, and experts around the world shows that EU rules in data protection have a sizeable international impact. Among the several potential enablers of EU regulatory influence, the main drivers of the GDPR’s global success are the EU’s internal market appeal, its credibility as a regulator, and the timing of its regulatory actions in line with evolving policy needs.

This has empowered the EU to exert regulatory influence in a unilateral and indirect way, with private companies complying to the GDPR even when not obliged to do so and third countries freely choosing to emulate the European approach in their own system, either due to economic considerations or the desire to imitate a model that is considered good for human rights or effective to deal with technological developments. The EU has been exerting regulatory influence also in a more proactive and direct manner, via Commission decisions that enable the free flow of data whenever a third country is deemed to provide an adequate level of data protection in line with European standards.

As European legislators are now discussing how to regulate Artificial Intelligence,

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the *Centre for the Governance of AI* published a research paper that focuses on the potential for these new rules to diffuse globally and produce a “Brussels Effect” in AI policy. The authors conclude that parts of the new EU regulatory regime are likely to generate a *de facto* Brussels Effect, incentivising changes in products offered in non-EU countries. The paper also argues that there is a strong possibility that EU AI rules will influence regulation adopted by other jurisdictions, *de jure* diffusion being particularly likely for jurisdictions with significant trade relations with the EU. Furthermore, the upcoming regulation might be particularly important in offering the first and most influential operationalisation of what it means to develop and deploy trustworthy and human-centred AI.

Learning from the lessons of the GDPR, other countries have already started moving on this front in order not to be left behind. In October 2022, the United States, the White House Office of Science and Technology Policy released a “Blueprint for an AI Bill of Rights”, which provides a non-binding framework for how government, technology companies, and citizens can work together to ensure more accountable AI. Also China has become increasingly keen on the “ethics” of technology, with a number of initiatives on AI, data and privacy governance. It must be said that both the US and the Chinese approach to digital regulation differs, to different degrees, from the European one. Nevertheless, for the purpose of the present discussion, what matters here is the simple fact that policymakers in other parts of the world address issue of tech governance adopting some of the categories (such as ethics, accountability, trustworthiness) championed by the EU.

**To conclude, if the EU wants to remain a relevant actor in the multipolar world, it ought to employ all the soft power tools at its disposal. This is even more true in the digital field, as the most powerful players in digital markets are not European. In order to have success in this endeavour, it is necessary to maintain an open approach towards international likeminded**

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**partners and to meaningfully engage with market players, as they are key in the realisation of the *de facto* Brussels Effect.**

However, we must beware of the idea that regulatory leadership alone is sufficient to achieve the objectives of open strategic autonomy. Regulatory leadership must be accompanied by – or better, fully integrated in – a truly European foreign policy, of which it can become a powerful tool (thus marking a stark difference from the classic instrument of nation states, that is military might). Moreover, while there might be appetite for regulatory solutions in response to the need of digital sovereignty also in other world regions – we can think to South America and South-East Asia and their dependence to the respective regional powers – the EU will be really able to exert *open regulatory leadership* only if its regulatory model is successful in practice. In other words, it is fundamental that the EU regulatory model enables the actual implementation of technological solutions. An active EU role in the development of technical standards, attention to innovation, and the meaningful engagement of industry players in the regulatory process are essential for the success of technological implementation in the European way.

**Therefore, *open regulatory leadership* represents a decisive tool in the European policymaking on the global stage, starting from the digital sphere. Furthermore, it can be the practical application of the concept of “open federation”, presented in the opening article of this Journal (*Ventotene still inspires us*), which calls for making the EU a model to be followed on the path towards a world federation.**