

Policy Analysis Paper 2 - EU Artificial Intelligence Act (2024) with a Cybersecurity Focus

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The AI Act has the overall objective of “protecting public interests, such as health and safety and the protection of fundamental rights” (Cabrera et al., 2025, 232). These fundamental rights are split between individual and collective rights, including: privacy and data protection, equality, dignity, autonomy and human oversight, freedom of expression and information, and procedural safeguards and remedies (POP, 2025, 115). While the Act covers these rights, one of the societal and economic tensions that still remain is AI’s role in European labour markets (POP, 2025, 120). The concern is that AI will increase the skill gaps because jobs that require “highly-skilled” professionals would largely be safe, jobs with “medium-skill levels” will be impacted by AI integration and cause the medium-level workers to transition into jobs with lower skill levels; this cause the “lower skilled” job market to be oversaturated (POP, 2025, 120). This issue is one that can become a harsh reality for many as AI continues to develop, and potentially develops in a way that “...’undermines the ability’ of the governing body to adequately regulate AI companies...” (Combs, 2025). Ursula von der Leyen, the President of the European Commission, is a strong advocate for AI, and championed the AI Act in its development, proclaiming 2023 to be “the year of Artificial Intelligence” (POP, 2025, 121). Leyen has since been a strong proponent of AI integration in European society in a way that is worrying to the Irish Council for Civil Liberties. Leyen echoed the sentiment of AI manufactures that AI technology’s “hypothetical ability to perform highly advanced cognitive functions and develop reasoning skills that would surpass those of humans” can come “as soon as next year”; this sentiment would be worrying for those in the medium-skills job market as the shift into the “low-skills” job market becomes a reality (Combs, 2025). While her sentiments regarding AI are considered “speculative” by the Irish Council for Civil Liberties, Leyen’s endorsements of AI integration indicate a rising societal challenge for the AI Act to address (Combs, 2025).

One of the main criticisms from the private sector comes from the emerging AI industry; the criticism is that the AI Act has created narrow constraints that “could take Europe out of the AI race” (Cabrera et al., 2025, 234). The AI Act created four risk categories, then places each system into one of the following categories: unacceptable, high, limited, and minimal (Novelli et al., 2024, 2493). These categories are seen as “inadequate” because the AI risk categorization process does not factor in intended purposes, so it lacks balance when considering intended use and possible uses (Novelli et al., 2024, 2493). This process has put “regulatory burdens” on AI providers and deployers that have to choose between innovation and perceived protection; long term, this can mean the AI Act is unsustainable for AI companies (Novelli et al., 2024, 2493). Margrethe Vestager, a member of the Danish Liberal Party, is a proponent and “key figure in drafting the EU’s content moderation and digital competition rules”, and believes that it’s “way too soon” to change parts of the AI Act (Haeck, 2025). Vestager notes the pushback in the AI industry, but observes that the issues do not apply to “mundane use cases” of AI systems; this indicates that the current focus of the AI Act is for “research, innovation, and mundane purposes” instead of leaders in technology (Haeck, 2025). Notably, DigitalEurope and “the co-founder and CEO of Giskard, a French AI company”, side with Vestager and believe the AI Act to be a positive regulation for the AI industry: “there is hope that the regulation will bring necessary balance” (Cabrera et al., 2025, 235). While the AI industry faces regulation, and many see these regulations as a hindrance to innovation, some European AI leaders find the necessity in the AI Act.

Being one of the first forms of AI regulation, it is expected that the AI Act becomes an example for other countries to follow. Thierry Breton, the former European commissioner for internal market, proclaimed Europe to be a “global standard-setter in AI” (Gilchrist & Iordache,

2024). While the current issue that European countries are facing is because of the regulation, and the reality that other countries are able to progress faster in AI development because of the lack of regulations, eventually, AI regulations will become common in other countries, and Europe will have set the standard (Cabrera et al., 2025, 234). Understanding how the current AI Act is working in Europe gives other countries the opportunity to address the “shortcomings of the AIA”; for example, other countries may choose to address AI in the job market in their own regulations or loosen the regulatory restrictions for AI companies to follow (Novelli et al., 2024, 2493).

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