IAI PAPERS 25 | 01 - JANUARY 2025

ISSN 2610-9603 | ISBN 978-88-9368-351-7

Istituto Affari Internazionali

AI Governance and Geopolitical Challenges: What's Next after Italy's G7 Presidency?

by Federica Marconi

ABSTRACT

Profound technological developments have marked recent years, coupled with increasing geopolitical instability and economic fragmentation driven by rising tensions between major powers. Emerging technologies, particularly artificial intelligence (AI), have been at the core of global competition due to their potential for enhancing productivity and fostering innovation. The technological race has started to extend also to the definition of global AI governance frameworks, with the United States, the EU and China pursuing divergent regulatory approaches and striving to influence countries, especially in the Global South, that are looking at the existing models for their national regulatory systems. Against this backdrop, international fora such as the G7 are called upon to play a key role in fostering dialogue on how to reconcile these divergent perspectives and shape global governance for AI.

keywords

G7 | Digital policy | AI governance | USA | European Union | China

AI Governance and Geopolitical Challenges: What's Next after Italy's G7 Presidency?

by Federica Marconi*

Introduction

The current era of technological developments, many experts argue, is also the most geopolitically unstable since the Cold War, as proved by the growing competition between the United States and China, shifting global alliances and new wars in Europe and the Middle East.[1] In such a context, technological innovation has acted as a catalyst for far-reaching changes in the global distribution of power and the globalisation processes. The shift towards multipolarity and economic fragmentation, in conjunction with other significant crises in recent years – the Covid-19 pandemic, Russia's aggression of Ukraine, the Israeli-Palestine conflict – has contributed to highlighting the vulnerabilities of global value chains and the advantages that technological supremacy brings. Emerging technologies have become pivotal in the geopolitical and geo-economic competition, with artificial intelligence (AI) standing out as having the most transformative potential, given its wide-ranging applications.

1. The economic impact of AI on the global market

The global AI market size (estimated at 196.63 billion US dollars in 2023) is expected to grow at a compound annual growth rate of 36.6 per cent from 2024 to 2030.[2] The generative AI market is likely to develop even faster, with a growth from 40 billion

[1] Jared Cohen et al., "The Generative World Order: AI, Geopolitics and Power", in *Goldman Sachs Insights*, 14 December 2023, https://www.goldmansachs.com/insights/articles/the-generative-world-order-ai-geopolitics-and-power.

[2] Grand View Research, *Artificial Intelligence Market Size, Share & Trends Analysis Report by Solution, by Technology (Deep Learning, Machine Learning, NLP, Machine Vision, Generative AI), by Function, by End-use, by Region, and Segment Forecasts, 2024-2030*, May 2024, https://www.grandviewresearch.com/industry-analysis/artificial-intelligence-ai-market.

* Federica Marconi is Researcher in the Multilateralism and Global Governance Programme at the Istituto Affari Internazionali (IAI).

Paper prepared in the framework of the IAI project "AI Governance and Geopolitical Challenges under Italy's G7 Presidency".

ISSN 2610-9603 | ISBN 978-88-9368-351-7

US dollars in 2022 to 1.3 trillion over the next ten years, according to one estimate.[3] Moreover, given its capacity to enhance productivity, optimise processes, reduce costs and generate new business models, the use of AI could enhance aggregate productivity by 33 per cent over a twenty-year period,[4] with a contribution of between 0.1 and 0.6 percentage points to global annual productivity growth from 2022 to 2040.[5]

While AI has the potential to significantly contribute to economic growth and development, it can also result in widening disparities, with those leading the race towards AI innovation gaining an unassailable economic and competitive edge over those lagging behind.[6] For instance, North America and China are expected to account for approximately 70 per cent of the global economic impact of AI by 2030, with an estimated GDP boost of 14 and 26 per cent respectively.[7]

Thus, a two-fold issue arises. First, the geographical concentration of development and deployment of AI technologies may further exacerbate international rivalries. Second, these rivalries extend way beyond the technological dominance to include the governance and regulation of the new technologies. Standard- and rule-setting in the AI realm is a powerful instrument for extending influence on a global scale. The EU is a case in point with the so-called "Brussels effect" – i.e., its capacity to serve as a source of global regulations for foreign jurisdictions[8] – as exemplified by the General Data Protection Regulation (GDPR), whose stricter standards have been embraced by several countries. This dynamic has prompted a competitive effort among several countries to impose their approach worldwide. Against this backdrop, international fora like the G7 represent crucial avenues for advancing discussion on how to ensure a greater convergence in regulatory approaches, especially between the two sides of the Atlantic.

[3] "Generative AI to Become a $1.3 Trillion Market by 2032, Research Finds", in *Bloomberg*, 1 June 2023, https://www.bloomberg.com/company/press/generative-ai-to-become-a-1-3-trillion-market-by-2032-research-finds.

[4] Martin Neil Baily, Erik Brynjolfsson and Anton Korinek, "Machines of Mind: The Case for an AI-powered Productivity Boom", in *Brookings Reports*, 2023, https://www.brookings.edu/articles/machines-of-mind-the-case-for-an-ai-powered-productivity-boom. In the paper the authors quote the estimates from: Shakked Noy and Whitney Zhang, "Experimental Evidence on the Productivity Effects of Generative Artificial Intelligence", in *Science*, Vol. 381, No. 6654 (13 July 2023), p.187-192, https://doi.org/10.1126/science.adh2586; Erik Brynjolfsson, Danielle Li and Lindsey R. Raymond, "Generative AI at Work", in *NBER Working Papers*, No. 31161 (April 2023), https://www.nber.org/papers/w31161.

[5] Kweilin Ellingrud et al., "Generative AI and the Future of Work in America", in *McKinsey Global Institute Reports*, July 2023, https://www.mckinsey.com/mgi/our-research/generative-ai-and-the-future-of-work-in-america.

[6] Kristalina Georgieva, "AI Will Transform the Global Economy. Let's Make Sure It Benefits Humanity", in *IMF Blog*, 14 January 2024, https://www.imf.org/en/Blogs/Articles/2024/01/14/ai-will-transform-the-global-economy-lets-make-sure-it-benefits-humanity.

[7] Mariarosaria Comunale and Andrea Manera, "The Economic Impacts and the Regulation of AI: A Review of the Academic Literature and Policy Actions", in *IMF Working Papers*, No. 24/65 (March 2024), https://www.imf.org/en/Publications/WP/Issues/2024/03/22/The-Economic-Impacts-and-the-Regulation-of-AI-A-Review-of-the-Academic-Literature-and-546645.

[8] Ani Bradford, "The Brussels Effect", in *North Western University Law Review*, Vol. 107, No. 1 (2015), p. 2-67, https://scholarlycommons.law.northwestern.edu/nulr/vol107/iss1/1.

ISSN 2610-9603 | ISBN 978-88-9368-351-7

2. The race for AI regulation

The global landscape of AI regulation is witnessing the emergence of disparate approaches among the main competitors in the sector – i.e. the United States, China and, albeit lagging behind, the EU – reflecting a mosaic of factors that include varying levels of technological advancement, economic and strategic priorities, as well as sensitivity to the looming challenges.

In dealing with AI regulation, the United States and the EU have focused on balancing innovation and competition with trust and accountability. However, their strategies differ in significant ways.

The EU is aiming to lead in AI regulation, much like it did with the GDPR. The Digital Market Act, the Digital Services Act and, finally, the Artificial Intelligence Act (AI Act)[9] exemplify its comprehensive approach. The AI Act, in particular, has been depicted as the first-ever legal framework on AI with a risk-based and human-centric approach, aligned with EU values. It aims to enable "Europe to play a leading role globally".[10] Similarly to the GDPR, the AI Act has extraterritorial scope, being applicable to all AI system providers targeting the EU market, regardless of their geographical location, as well as to users within the EU. In contrast, the emphasis in the United States is on fostering innovation through light-touch regulation coupled with greater funding for research and development. Thus, the United States has not adopted a comprehensive AI regulation at the federal level similar to the EU one. Still, general frameworks and guidelines can be identified. The most relevant one was introduced on 30 October 2023, when President Joe Biden issued an executive order entitled "Safe, Secure, and Trustworthy Development and Use of AI"[11] to address algorithmic discrimination and secure voluntary safety commitments from major technology companies. One year on, more than one hundred federal agency actions have been completed to implement the executive order, including rulemakings issued by the Department of Commerce to implement the dual-use foundation model reporting and red team testing requirements.[12] However, the incoming Trump administration is expected to roll back the Biden administration's AI regulatory actions, citing concerns about potential restrictions on innovation.[13]

[9] European Parliament and Council of the EU, *Regulation (EU) 2024/168 of 13 June 2024 Laying Down Harmonised Rules on Artificial Intelligence... (Artificial Intelligence Act)*, http://data.europa.eu/eli/reg/2024/1689/oj.

[10] European Commission DG for Communications Networks, Content and Technology, *AI Act*, last updated on 14 October 2024, https://digital-strategy.ec.europa.eu/en/node/9745.

[11] White House, *Executive Order on the Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence*, 30 October 2023, https://www.whitehouse.gov/briefing-room/presidential-actions/2023/10/30/executive-order-on-the-safe-secure-and-trustworthy-development-and-use-of-artificial-intelligence.

[12] Yaron Dori et al., "U.S. AI Policy Expectations in the Trump Administration, GOP Congress, and the States", in *Inside Global Tech*, 18 December 2024, https://www.insideglobaltech.com/?p=12606.

[13] Bruce D. Sokler, Alexander Hecht and Christian Tamotsu Fjeld, "AI Under a Second Trump Administration — AI: The Washington Report", in *Mintz Insights*, 14 November 2024, https://www.mintz.com/node/99036.

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The techno-autocratic Chinese system is a third distinct model. Prior to the announcement of the US executive order, China unveiled its Global AI Governance Initiative at the Belt and Road Forum in Beijing, coinciding with the ten-year anniversary of the Belt and Road Initiative (BRI).[14] This is part of a long-term plan to develop AI first announced in 2017,[15] when China officially declared its ambition to become globally competitive in the field of AI by 2020, achieve an advanced level of innovation by 2025, and become a global leader in AI by 2030. This ambition, driven by state-backed initiatives and a vast repository of data, extends beyond technological development to include China's capacity to exert influence over the future trajectory of AI by shaping standards and regulations.[16] To implement the Global AI Governance Initiative, China has recently released its AI Safety Governance Framework, which provides an analysis of risks concerning AI and related responses, together with prevention and control measures to address security risks in the application of AI.[17] In addition to that, China has promulgated several pieces of legislation targeting specific industries and technologies.[18]

These approaches differ from one another in several ways.

First, in terms of *scope* and *nature*. The EU has adopted a broader approach dealing with the development and application of technology, aimed at the adoption of an overarching framework. In contrast, the United States has so far preferred guidelines and sector-specific piece of legislations, while China, in particular, has focused on solving specific use-cases, including those related to content recommendation algorithms, data protection, synthetic media and generative AI systems.[19]

[14] Chinese Ministry of Foreign Affairs, *Wang Yi on Global AI Governance: Ensure that AI is a Force for Good, Ensure Safety and Ensure Fairness*, 7 March 2024, https://www.mfa.gov.cn/eng/wjbzhd/202403/t20240308_11256430.html. See also Charles Mok, "Global Competition for AI Regulation, or a New Framework for AI Diplomacy?", in *The Diplomat*, 7 November 2023, https://thediplomat.com/?p=255329.

[15] Ulrich Jochheim, "China's Ambitions in Artificial Intelligence", in *EPRS At a Glance*, September 2021, https://www.europarl.europa.eu/thinktank/en/document/EPRS_ATA(2021)696206.

[16] Raluca Csernatoni, "Charting the Geopolitics and European Governance of Artificial Intelligence", in *Carnegie Papers*, March 2024, https://carnegieendowment.org/research/2024/03/charting-the-geopolitics-and-european-governance-of-artificial-intelligence.

[17] Danny Tobey et al., "China Releases AI Safety Governance Framework", in *DLA Piper Insights*, 12 September 2024, https://www.dlapiper.com/en/insights/publications/2024/09/china-releases-ai-safety-governance-framework.

[18] James Gong, Harry Qu and Hunter Dorwart, "AI Governance in China: Strategies, Initiatives and Key Considerations", in *Bird&Bird Insights*, 14 March 2024, https://www.twobirds.com/en/insights/2024/china/ai-governance-in-china-strategies-initiatives-and-key-considerations.

[19] As pointed out by Matt Sheehan, who provides the following examples: the 2021 regulation on recommendation algorithms, the 2022 rules for deep synthesis (synthetically generated content), and the 2023 draft rules on generative AI. See Matt Sheehan, "China's AI Regulations and How They Get Made", in *Carnegie Reports*, July 2023, https://carnegieendowment.org/research/2023/07/chinas-ai-regulations-and-how-they-get-made.

ISSN 2610-9603 | ISBN 978-88-9368-351-7

A second distinction refers to *prescriptive/ex-ante risk assessments* and *descriptive/ex-post liability*. The EU has adopted a prescriptive approach which entails the implementation of provisions aimed at evaluating the potential risks associated with AI-based systems. To identify and mitigate any potential risks before they manifest, a classification is used according to the respective level of severity. The lowest end of the spectrum – risks that are either minimal or non-existent, such as AI-enabled video games or spam filters – is followed by limited risks (e.g., a chatbot) and high risk (e.g., AI systems used in hiring and credit applications). The risks that are deemed unacceptable, such as social credit scoring and the use of facial recognition technologies for real-time monitoring of public spaces, are explicitly prohibited. In its AI safety governance framework, China takes an approach that categorises AI-related risks into two types: (i) risks inherent in the technology itself, and (ii) risks arising from its applications. Unlike the EU, the framework does not classify risks by level. It also requires AI developers, service providers and system users to implement technological measures to mitigate these risks, while also providing for governance measures and safety guidelines. On the contrary, the United States holds developers and services providers accountable only for those risks that have materialised.

Third, the United States has adopted a *decentralised policy approach* for specific AI applications, whereas the EU has preferred a *centralised approach* featuring a novel AI governance structure. In this regard, the new-established European AI Office, within the European Commission, oversees the AI Act's enforcement and implementation in conjunction with the national authorities of member states. China has enacted some of the world's first binding national AI regulations, thereby paving the way for the introduction of a comprehensive national AI law.[20]

3. The geopolitical implications of alternative approaches to AI regulation

As AI is playing a pivotal role in transforming industries and economies, major global powers are directing their efforts to shaping the AI governance landscape of key players in the Global South, that have unique positions and ambitions in AI and, as a result, to gain significant influence at a global level. Over the past years, the Global South has been the target of economic operations led by major tech companies, which are competing to establish research labs, development centres and engineering offices. India, for instance, was the first country to host an industry research lab, established by IBM in 1998, and, since then, it has remained a key market entry point for big tech research labs in the Global South.[21]

[20] Ibid.

[21] Chinasa T. Okolo, "AI in the Global South: Opportunities and Challenges towards More Inclusive Governance", in *Brookings Commentaries*, November 2023, https://www.brookings.edu/articles/ai-in-the-global-south-opportunities-and-challenges-towards-more-inclusive-governance.

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Nowadays, countries from the Global South are eager to catch up on the adoption of regulatory frameworks for AI, which they view as both a necessity and an opportunity. Nevertheless, it is a matter of fact that members of the Global South have been largely absent from the global conversations on the topic.[22] Thus, most countries are striving to enhance their representation at the highest level in multilateral global discussions on AI, to ensure that their overarching objectives are given due consideration.[23]

The approach to AI regulation that the Global South will adopt is a key point of interest, as evidenced by the words of Senate Majority Leader Chuck Schumer, who warned that the United States could not allow a geopolitical rival like China to "write the rules of the road" for AI, referring to China's AI development as a "wake-up call" for Western countries.[24]

China is indeed advancing its own governance vision by positioning itself as a leading provider of cutting-edge technology in emerging markets. It is building strategic alliances in the global South by offering tailored AI solutions that meet the specific needs of individual countries, particularly in sectors like security, healthcare and education, and creating dependencies that further reinforce its geopolitical standing. China's strategy also encompasses exporting AI regulatory models through initiatives like the BRI, which can translate into substantial political leverage.[25]

Against this backdrop, the US government will most likely use its financial power to influence the market by increasing expenditure on AI and AI research, rather than to enact a comprehensive national AI legislation – at least, in the near future.[26] Conversely, the EU, with the AI Act and its application to non-EU companies providing AI services in Europe, will again set a regulatory precedent, as happened with the GDPR.

At the current stage, India and other countries from the Global South seem to prefer a light-touch approach to AI regulation, with a view to striking a balance between fostering innovation and ensuring risk mitigation.[27]

[22] Astha Kapoor et al., "Why the Global South Has a Stake in Dialogues on AI Governance" (video), in *Brookings Events*, 23 October 2023, https://www.brookings.edu/events/why-the-global-south-has-a-stake-in-dialogues-on-ai-governance.

[23] Renata Thiébaut, "Here's How We Can Support AI Discussions in the Global South", in *CIGI Articles*, 22 August 2024, https://www.cigionline.org/articles/heres-how-we-can-support-ai-discussions-in-the-global-south.

[24] Matt Sheehan, "China's AI Regulations and How They Get Made", cit., p. 7.

[25] Charis Liu interview with Ngor Luong, "China's AI Governance: Engaging the Global South", in *NBR Interviews*, 29 August 2024, https://www.nbr.org/?p=228696.

[26] Bill Whyman, "AI Regulation is Coming- What is the Likely Outcome?", in *CSIS Blog*, 10 October 2023, https://www.csis.org/node/107581.

[27] Amlan Mohanty and Shatakratu Sahu, "India's AI Strategy: Balancing Risk and Opportunity", in *Carnegie Commentaries*, 22 February 2024, https://carnegieendowment.org/posts/2024/02/indias-ai-strategy-balancing-risk-and-opportunity.

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4. The role of international fora: Outcomes of the Italian G7

The G7 is one of the most impactful platforms for advancing discussions and building consensus on AI governance, although it lacks normative or executive powers.[28]

In May 2023, under Japan's presidency, the G7 launched the Hiroshima AI Process (HAIP) as an international framework to establish common ground for responsible AI development and use. This framework includes the report "G7 Hiroshima Process on Generative Artificial Intelligence" by the Organization for Economic Cooperation and Development (OECD), which analyses opportunities and risks of advanced AI systems; the Hiroshima Process International Guiding Principles for All AI Actors (HIGP), which comprises twelve general principles for designing, developing, deploying, providing and using advanced AI systems; as well as the Hiroshima Process International Code of Conduct for Organizations Developing Advanced AI Systems.

Italy's G7 presidency built on these efforts with the objective of reconciling technological innovation with adequate safeguards against potential threats to global stability and democratic values. In this vein, it emphasised the need to balance the promotion of innovation with the implementation of necessary regulations to ensure that AI is safe, secure and trustworthy for people worldwide.[29] In particular, G7 leaders have committed to enhancing interoperability between their respective approaches to AI governance and risk management, including by deepening cooperation between institutes and bodies of G7 countries that are currently working on advancing international standards for AI development and deployment.[30]

To this end, several initiatives have been undertaken by the G7 under Italy's presidency, in cooperation with international organisations and leveraging on the collaboration of the private sector. The key initiatives and results are summarised below (Table 1).

[28] Tim Hickman et al., "AI Watch: Global Regulatory Tracker – G7", in *White&Case Insights*, 13 May 2024, https://www.whitecase.com/node/122526.

[29] Joanna Davies, "Italy's G7 Presidency, AI Safety and the Debate on its Future", in *G7 Research Group Analysis*, 2 July 2024, https://globalgovernanceprogram.org/g7/evaluations/2024apulia/davies-ai.html.

[30] White House, *Fact Sheet: The 2024 G7 Summit in Apulia, Italy*, 14 June 2024, https://www.whitehouse.gov/briefing-room/statements-releases/2024/06/14/fact-sheet-the-2024-g7-summit-in-apulia-italy.

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Table 1 | List of the key initiatives launched under Italy's G7 Presidency

Scope	Initiative	Further details
Implementation of the Code of Conduct	1. Development of a reporting framework for monitoring the International Code of Conduct for Organizations Developing Advanced AI Systems (the pilot phase of the reporting framework was active from 19 July until 6 September 2024,[31] to gather feedback from participating organisations).	In cooperation with the OECD and building on Japan's legacy. The initiative was launched with the Ministerial Declaration of G7 Industry, Technology and Digital Ministerial Meeting in Verona and Trento, 14-15 March 2024.[32] The resulting document for the reporting framework was published after the G7 Tech and Digital Ministerial Meeting, that took place in Cernobbio on 15 October 2024.[33]
	2. The pilot phase was carried out by the OECD and resulted in a first report "Towards a Hiroshima Artificial Intelligence Process Code of Conduct Reporting Framework: Findings from the Pilot".[34] The outcomes of the pilot phase will be used to refine the reporting framework.	
Public sector	1. Development of a Toolkit for Artificial Intelligence in the Public Sector,[35] that can help governments to deliver better services to our economies and societies, while protecting human rights and fundamental freedoms.	Produced by OECD and UNESCO. The initiative was launched with the Ministerial Declaration of G7 Industry, Technology and Digital Ministerial Meeting in Verona and Trento, 14-15 March 2024. The Toolkit was presented during the G7 Tech and Digital Ministerial Meeting (Cernobbio, 15 October 2024).
	2. Development of a G7 Compendium of Digital Government Services,[36] to share examples of how G7 governments are approaching and leveraging digital public infrastructure to improve access to public services and enhance user experience.	The Compendium, written by the OECD, was presented during the G7 Tech and Digital Ministerial Meeting (Cernobbio, 15 October 2024).

[31] Audrey Plonk, Karine Perset and Sara Fialho Esposito, "Participate in the OECD's Pilot on Monitoring the Application of the G7 Code of Conduct for Organisations Developing Advanced AI Development", in *OECD.AI Blog*, 23 July 2024, https://oecd.ai/en/wonk/pilot-g7-monitoring.

[32] G7, *Ministerial Declaration, G7 Industry, Technology and Digital Ministerial Meeting*, Verona and Trento, 14-15 March 2024, https://www.g7italy.it/wp-content/uploads/G7-Industry-Tech-and-Digital-Ministerial-Declaration-Annexes-1.pdf.

[33] Italian G7 Presidency, *Documents of the Tech and Digital Ministers' Meeting in Cernobbio*, 15 October 2024, https://www.g7italy.it/en/documents-of-the-tech-and-digital-ministers-meeting-in-cernobbio; Italian Government-Department for Technological Innovation, *The G7 Tech and Digital Ministerial Meeting in Cernobbio on 15 October 2024*, 1 October 2024, https://innovazione.gov.it/notizie/articoli/en/the-g7-tech-and-digital-ministerial-meeting-in-cernobbio-on-15-october-2024.

[34] Italian G7 Presidency, *Towards a Hiroshima Artificial Intelligence Process Code of Conduct Reporting Framework: Findings from the Pilot*, 19 December 2024, https://oecd.ai/en/wonk/documents/towards-a-hiroshima-artificial-intelligence-process-code-of-conduct-reporting-framework-findings-from-the-pilot.

[35] OECD and UNESCO, *G7 Toolkit for Artificial Intelligence in the Public Sector*, Paris, OECD Publishing, 15 October 2024, https://doi.org/10.1787/421c1244-en.

[36] OECD, *G7 Compendium of Digital Government Services*, Paris, OECD Publishing, 15 October 2024,

ISSN 2610-9603 | ISBN 978-88-9368-351-7

Table 1 (continue)

Scope	Initiative	Further details
Digital identity	G7 Mapping Exercise of Digital Identity Approaches,[37] to support efforts towards interoperability in digital identity systems.	The Mapping Exercise, written by the OECD, was presented during the G7 Tech and Digital Ministerial Meeting (Cernobbio, 15 October 2024).
AI and labour	Adoption of an action plan on the use of AI to enhance productivity, the development of skills at global level and foster the quality of jobs, in coordination with the private sector and its initiatives.	International Labour Organization and OECD have been asked to provide support and to report to the G7 about progress made under the Italian Presidency. The initiative was launched in the Ministerial Declaration of the G7 Labour and Employment Ministers' Meeting in Cagliari, 12-13 September 2024.[38]
Data flow	Operationalise Data Free Flow with Trust (DFFT) to enable trustworthy cross-border data flows, and invigorate the digital economy as a whole, while preserving governments' ability to address legitimate public interest.	Institutional Arrangement for Partnership (IAP – DFFT Expert Community) and OECD. Commitment affirmed in the Ministerial Declaration of G7 Industry, Technology and Digital Ministerial Meeting in Verona and Trento, 14-15 March 2024.
AI for sustainable development	Establishment of an AI Hub for Sustainable Development. A public report on the co-design of the AI Hub was released on 17 July 2024.[39]	In collaboration with the United Nations Development Programme.[40] The initiative was launched in the 2024 G7 Leaders' Declaration.[41]

Source: G7, *Apulia G7 Leaders' Communiqué*, 14 June 2024, https://www.g7italy.it/wp-content/uploads/Apulia-G7-Leaders-Communique.pdf.

Japan's former Prime Minister Fumio Kishida expressed appreciation for the approach taken by the Italian G7 presidency, particularly for its identification of AI as a pivotal subject and for taking over the Hiroshima AI Process. Prime Minister Justin Trudeau, in anticipation of Canada's forthcoming G7 presidency, has expressed his

https://doi.org/10.1787/69fbf288-en.

37 OECD, *G7 Mapping Exercise of Digital Identity Approaches*, Paris, OECD Publishing, 15 October 2024, https://doi.org/10.1787/56fd4e94-en.

38 G7, *Towards an Inclusive Human-Centered Approach for New Challenges in the World of Work. Ministerial Declaration, G7 Labour and Employment Ministers' Meeting in Cagliari*, 12-13 September 2024, https://www.g7italy.it/wp-content/uploads/G7-2024-LEM-Declaration.pdf.

39 Italian G7 Presidency and UNDP, *AI Hub for Sustainable Development. Strengthening Local AI Ecosystems through Collective Action*, New York, UNDP, July 2024, https://www.undp.org/node/474651.

40 Italian Ministry of Enterprises and Made in Italy, *The Italian G7 Presidency and UNDP Launch First Public Report on the Co-design of the AI Hub for Sustainable Development*, 18 July 2024, https://www.mimit.gov.it/en/media-tools/news/the-italian-g7-presidency-and-undp-launch-first-public-report-on-the-co-design-of-the-ai-hub-for-sustainable-development.

41 G7, *Apulia G7 Leaders' Communiqué*, 14 June 2024, https://www.g7italy.it/wp-content/uploads/Apulia-G7-Leaders-Communique.pdf.

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willingness to work in close collaboration with G7 members and other partners to build on the steps taken so far.[42] Moreover, he has committed to further advancing discussions on the governance of AI and digital technology[43] to bridge the digital divide, among other things.

The outcomes achieved by the G7 on AI governance principles and guidance documents are complemented by other initiatives taken by international and intergovernmental organisations including UNESCO, the OECD, the United Nations,[44] the Global Partnership on AI (GPAI). Most of these initiatives were initiated by Western countries, with minimal involvement of China. The latter has thus far played a relatively minor role in most of the international endeavours to develop a global governance of AI.[45]

5. Conclusions: A global governance of AI

Despite the lack of consensus among key players such as the EU, the United States, China and emerging markets like India regarding the approaches and goals to be pursued, one point is indisputable: they are all keenly interested in playing a role in the global race to regulate AI. This accelerating effort underscores a shared recognition that the decisions made today will have a profound influence on the future development and deployment of AI and on their impact on societies, economies and geopolitical equilibria.

Initiatives such as the EU AI Act and President Biden's Executive Order, as well the cooperation frameworks developed by international bodies, including UNESCO and the OECD, and discussions within international forums such as the G7, all demonstrate the growing importance that key international actors attach to AI governance mechanisms. One of biggest challenges lies in reconciling the diverse perspectives of countries pursuing different technological, economic and political priorities in developing regulatory frameworks that address AI's unprecedented risks and opportunities. Nevertheless, recent progress in developing international codes

[42] Canada and Italy, *Joint Statement from Prime Minister Trudeau and Prime Minister Meloni*, 2 March 2024, https://www.governo.it/en/node/25138; *Canada-France Declaration on Artificial Intelligence*, 26 September 2024, https://ised-isde.canada.ca/site/ised/en/node/247.

[43] Canada Government, *Prime Minister Advances Shared Progress and Prosperity at the G7 Summit*, 14 June 2024, https://www.pm.gc.ca/en/node/50250.

[44] For instance, the United Nation High-Level Advisory Body on AI has been established. The Advisory Body, that is committed to enhance the representation of a broad number of stakeholders – including developing countries – has set up its 2023-2024 Roadmap with the goal of identifying "Globally Inclusive Governance Options". See the website of the UN Office of the Secretary-General's Envoy on Technology: *High-Level Advisory Body on Artificial Intelligence*, https://www.un.org/techenvoy/ai-advisory-body.

[45] In contrast, the Bletchley Declaration, which emerged from the AI Safety Summit held in the United Kingdom in November 2023, provides an illustrative case in point. The declaration was endorsed by 29 countries and regions, including China. See Huw Roberts, "China's Ambitions for Global AI Governance", in *East Asia Forum*, 10 September 2024, https://eastasiaforum.org/?p=2339457.

ISSN 2610-9603 | ISBN 978-88-9368-351-7

of conduct and shared principles is a promising sign. It may serve as a foundation for rules and guiding principles that transcend national boundaries.[46]

Updated 10 January 2025

ISSN 2610-9603 | ISBN 978-88-9368-351-7

[46] Raluca Csernatoni, "Charting the Geopolitics and European Governance of Artificial Intelligence", cit.

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