The EU's Strategic Dilemma

28 APRIL 2026
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Balancing Rights, Innovations, and Competitiveness under the AI Act
Timeframe: 01/01/2023 – 31/12/2026
European Union (EU) · AI Governance & Global Norms

Key Insights

- This article investigates whether the EU AI Act can balance fundamental rights protection with economic competitiveness. While the Act strengthens a value-based approach to AI governance, its broad regulatory framework combined with considerable exceptions risk undermining

both effectiveness and innovation. Ultimately, without stronger industrial support, the Act may weaken the EU's international stance rather than reinforce its global leadership

Definition

AI systems defined – in accordance with the OECD definition as "a machine-based system that is designed to operate with varying levels of autonomy and that may exhibit adaptiveness after deployment"

> *Brussels has favoured a "rights-driven" model to AI governance, crowned by the adoption of the AI Act (2023), which prioritises risk mitigation and the safeguard of fundamental rights.*

Documents: ▯ Source Document

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