

9 May 2025

# DIGITALEUROPE response to US consultation on export controls on advanced AI chips

## Introduction


DIGITALEUROPE appreciates the opportunity to provide input on the interim final rule concerning the Framework for Artificial Intelligence Diffusion.<sup>1</sup> AI represents a paradigm shift with deep implications for economies, societies and security. The US and the EU have different strengths in critical technologies and only together, as like-minded democracies, can we win the tech race. Both, the US and the EU rely on each other's strengths.

- DIGITALEUROPE is **concerned about the final interim rule announced by the Commerce Department's Bureau of Industry and Security (BIS) in the last days of the Biden Administration, restricting access to advanced AI chip exports** for certain EU Member States.
- These measures do not only treat unequally EU Member States and NATO allies, but they **create tensions in the transatlantic partnership, which** has long been a pillar of our shared security.
- Instead of introducing new restrictive measures, we believe that this is a **chance for the new US administration to abandon the previous administration's approach and unite likeminded allies** to advance the technological edge.
- The US and the EU are close security and economic allies **and must share capabilities in the AI supply chain**, from chips to the application of algorithms. Their companies rely on the transatlantic market to share capabilities, scale cutting-edge innovations, and stay competitive in the global tech race. This mutual security and interdependence should be seen as a strength. On both sides, the US and the EU must continue to be viewed as a reliable economic and security partners.

## Concerns regarding the Interim Final Rule

DIGITALEUROPE is concerned about the measures announced by the US Bureau of Industry and Security on **13 January 2025**, which revise the Export Administration Regulations (EAR) to expand controls on

<sup>1</sup> [Federal Register :: Framework for Artificial Intelligence Diffusion](#).



advanced computing integrated circuits (ICs) and introduce new restrictions on AI model weights for certain advanced closed-weight dual-use AI models. These changes **limit the export of advanced AI chips to specific EU Member States**.

These measures introduce a **tiered and inconsistent approach to EU Member States** with several EU and European partners, including Estonia, Greece, Latvia, Lithuania, Poland, Portugal and Switzerland, classified as Tier 2 countries. This classification imposes limitations on the scale of computing power these US partners can access, which can restrict their ability to train and deploy state-of-the-art AI systems. For example, Tier 2 countries face thresholds on the number of high-performance chips, potentially capping their AI compute clusters below the scale required for training cutting-edge models.

The EU has a shared single market and increasingly shared security interests as well as defence-initiatives. Thus, the splitting of EU member states into different categories leads to unfair discrimination and both economic and security challenges. This is not in the interest of either the US nor the EU.

## Impact on the Transatlantic partnership

The **transatlantic partnership has been a cornerstone of global security, economic resilience and technological leadership**. Any measure that fragments this alliance, especially within strategic sectors such as AI and semiconductors, could have far-reaching implications impacting the transatlantic AI ecosystem.

The current approach risks:

- Weakening trust amongst democratic allies;
- Creating regulatory uncertainty and barriers for transatlantic businesses, putting at risk the transatlantic AI ecosystem by limiting access to consumers and to computing systems; and
- Disincentivising collaborative research, development, and innovation.

## Focus on strategic coordination, not separation

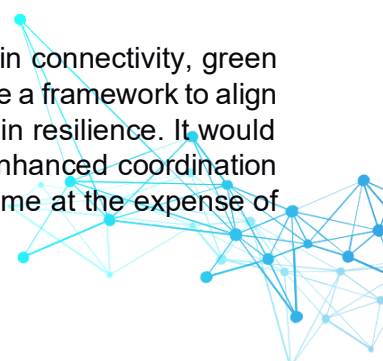
**The security of the US and the EU are interlinked.** Our competitiveness and technological leadership depend on shared access to innovation, investment and talent.

Unilateral restrictions, particularly those that divide allies, threaten to unravel the collaborative frameworks we have built together over decades. The right path forward is not selective exclusion, but **strategic alignment on shared risks and opportunities**, maintaining a transatlantic AI ecosystem that continues to benefit consumers and companies alike.

## Recommendations

### Transatlantic critical tech and dual-use collaboration

Whilst the US leads in many technology areas, the EU has world-leading strengths in connectivity, green tech, biotech and quantum. **EU-US critical and dual-use collaboration** would provide a framework to align policies, drive digital innovation, and strengthen critical infrastructure and supply chain resilience. It would reinforce cooperation on critical technology and security issues, including through enhanced coordination on technology governance. This would help ensure national security goals do not come at the expense of partnership and openness, and build on our shared values as like-minded allies.





## Recognising the EU as a single entity for AI Diffusion tiering

DIGITALEUROPE urges the US to **recognise the EU as a single, unified entity in AI diffusion strategies**, rather than treating individual Member States separately.

Fragmenting the EU into different AI diffusion tiers introduces unnecessary complexity, undermines the integrity of the Digital Single Market and risks weakening transatlantic cooperation. To support interoperability, trust, and regulatory alignment, **DIGITALEUROPE recommends that all EU Member States be consolidated under a single Tier 1 designation**. Consolidating all EU Member States under a single Tier 1 designation will reduce regulatory fragmentation, support transatlantic alignment and ensure a consistent, trusted environment for AI innovation and deployment.

## Conclusions

We call on the US Government to reconsider the current restrictions and **to engage closely with its European partners in developing a coordinated, transparent and future-proof transatlantic approach to AI governance and export controls**. Decisions of such strategic importance should be shaped in coordination with allies.

Only by acting in close cooperation can we maintain our competitive edge and uphold the values that underpin our alliance. DIGITALEUROPE stands ready to support the transatlantic partnership, as we have done over the past years.

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## About DIGITALEUROPE

DIGITALEUROPE is the leading trade association representing digitally transforming industries in Europe. We stand for a regulatory environment that enables European businesses and citizens to prosper from digital technologies. We wish Europe to grow, attract and sustain the world's best digital talents and technology companies. Together with our members, we shape the industry policy positions on all relevant legislative matters and contribute to the development and implementation of relevant EU policies. Our membership represents over 45,000 businesses who operate and invest in Europe. It includes corporations which are global leaders in their field of activity, as well as national trade associations from across Europe.

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