

The EU AI Act and the Japan's AI law share the same a human-centric approach but only one of them has teeth

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When the AI Act was adopted by EU co-legislators in May 2024 (to be fully applicable from 2 August 2026) after 5 years of preparation, it was hailed as a groundbreaking piece of legislation. It is true that this was the first ever legislation of its kind. It is also true that it was the only law seeking to address the key concerns raised by the widespread use of AI worldwide, in particular major risks for human rights.

Of course, there already existed other efforts to regulate the use of AI. Indeed, the OECD maintains a live repository of over 1 000 AI policy initiatives from 69 countries, including the US, China, Canada and Brazil. There is even a Global Partnership on AI (GPAI), a collaborative global initiative of 44 member countries. However, this was and remains the most comprehensive piece of AI legislation.

In Japan, in May 2025, the "Bill on the Promotion of Research, Development, and Utilization of Artificial Intelligence-Related Technologies" was adopted by the Diet and thereby became Japan's first general law relating to AI. This new law aims to balance innovation promotion and risk management, aligning with international guidelines. Japan's AI Law shares a similar approach to that of the EU in that it adopts a "human-centric approach", whilst trying to protect Japanese citizens without stifling the use of AI. In that respect, Japan's approach clearly departs from the U.S. approach, which leaves economic operators totally free, with little attempt to regulate the production and the use of AI. However, Japan's AI Law avoids strict regulations and penalties like the EU AI Act, opting instead for a framework that relies on existing laws and guidelines, supplementing them with new legislation where gaps exist. While traditionally Japan's AI policy has relied on soft law, the AI Law represents a slight adjustment, not a complete shift, in that approach.

Meanwhile, the method used to implement the EU AI Act mixes the provision of hefty penalties for non-compliance with incentives, in the form of an AI Pact, which invites AI providers to comply with the key obligations of the AI Act in advance of its entry into force. The AI Pact also has a pedagogical dimension.

The main purpose of Japan's AI Law, as stated in its Article 1, is the enhancement of citizens' lives and economic development—which somewhat differs from the EU AI Act, which emphasises the protection of fundamental rights – although the EU AI Act also aims to "improve the functioning of the internal market".

The difference between the EU AI Act and Japan's AI Law becomes obvious when reading Article 3 of Japan's AI Law, which lists the basic principles of the law as

- Sustaining research and development capabilities
- Enhancing international competitiveness
- Ensuring transparency for proper research and use
- Leading international cooperation

Conversely, the EU AI Act was conceived as a means to protect EU citizens from State power and from large corporations and therefore to navigate between a Chinese "statist model" and a US "technocratic model". It also draws lessons from observations made in some EU Member States about how AI can infringe the rights of citizens (including the right to privacy, or the right freedom of expression and information) and discriminate against EU citizens. The EU AI Act underlines the importance of human dignity and the dangers of collective and societal harm and thereby shares the same philosophy as Japan's AI Law.

The EU AI Act identifies four levels of risk for AI systems, which specific references to human rights.

1. Unacceptable risk

The systems deemed to present an unacceptable are AI systems are considered a clear threat to the safety, livelihoods and rights of people. This includes social scoring and "untargeted scraping of the internet or CCTV material to create or expand facial recognition databases". Those systems are purely and simply banned.

2. High risk

High risk AI systems are identified as posing serious risks to health, safety or fundamental rights. High-risk AI systems are subject to strict obligations before they can be put on the market, including appropriate human rights oversight measures.

3. Limited risk

This refers to the risks associated with a need for transparency around the use of AI. The AI Act introduces specific disclosure obligations to ensure that humans are informed when necessary to preserve trust. For instance, when using AI systems such as chatbots, humans should be made aware that they are interacting with a machine so they can take an informed decision.

Moreover, providers of generative AI must ensure that AI-generated content is identifiable. Additionally, certain AI-generated content should be clearly and visibly labelled, namely deep fakes and text published with the purpose to inform the public on matters of public interest.

4. Minimal or no risk

The EU AI Act does not introduce rules for AI that is deemed minimal or no risk. In fact, most AI systems currently used in the EU fall into this category. This includes applications such as AI-enabled video games or spam filters.

One notable characteristic of Japan's AI Law is its nature as a "basic law," similar to Japan's Basic Act on Disaster Management or Basic Act on Education. Such laws outline broad national principles and policies. This is evident in the AI Law's provisions on governmental responsibilities, creation of basic plans, and organizational structures. Notably, Japan's AI Law does not include penalties, reflecting its basic-law nature and the intent to avoid stifling innovation. Instead of blanket penalties, the government intends to regulate AI through individual sector-specific laws (e.g., healthcare through the Pharmaceuticals Act, automotive through the Road Vehicles Act), where detailed oversight can be more appropriately implemented. It may be unfair to claim that Japan's new AI Law lacks enforceability due to no penalties are unfounded. However, as not all sectoral laws are AI-ready, further alignment is expected. Soft law—guidelines and self-regulation—remains an essential tool under the new framework.

As was the case with the EU's General Data Protection Regulation (GDPR) that was adopted in 2018, the European Union is trying to set new norms, or alternative global standards, with the EU AI Act, to ensure that AI has a positive rather than negative effect on the lives of EU citizens and an impact beyond EU borders. The EU AI act has an extraterritorial dimension, as operators based outside the EU but operating in the EU must abide by the EU AI Act. Similarly, the EU AI Act applies to data generated outside the EU but used within the EU. This means that Japanese businesses operating in the EU need to be fully aware of the EU AI Act and need to abide by it.

Japan's AI Law takes a distinct approach from the EU, focusing on using individual laws and soft regulations to manage risks, and using a comprehensive law only where necessary. If this framework allows Japan to promote safe and effective AI development, it could greatly benefit the country's AI sector. However, the impact of the Law depends not just on its existence, but also on how it is implemented.

Although the EU AI Act foresees a range of sanctions (some to be implemented by the EU Member States and some to be implemented by the European Commission) of up to 35 million euros or 7% of the company global annual revenue, ultimately the effectiveness of the EU AI Act will depend on the political will to sanction national and multinational businesses that fail to comply. Already some business observers are worried that the EU AI act could lead to an increased risk aversion for tech companies, especially because of the hefty fines foreseen for non-compliance. When the European Commission ordered Apple and Meta to pay a combined fine of 700 million Euros, in April 2025, under the Digital Markets Act (DMA), the two tech firms reacted angrily, saying they were "unfair targets" and "forced to give away (their) technology for free". In fact, the fines were lower than previous ones and clearly meant to assuage angry President Trump. Another difficulty lies with the EU's dependence on US Big Tech. It is too early to tell what the world climate will be like by the time the EU AI Act finally comes into force in August 2026 and whether the Big Tech will play ball, but it is likely that the road will be bumpy, and the EU will need to show the utmost political resolve.

As for Japan, it is hard to imagine how a soft AI law, such as the one that was recently adopted, will suffice to ensure the basic goals of respect for human dignity, diversity and inclusion or the promotion of a sustainable society can be met.

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