RIETI BBL Webinar

「The Unexpected Consequences of GenAI for Globalization」 Comments
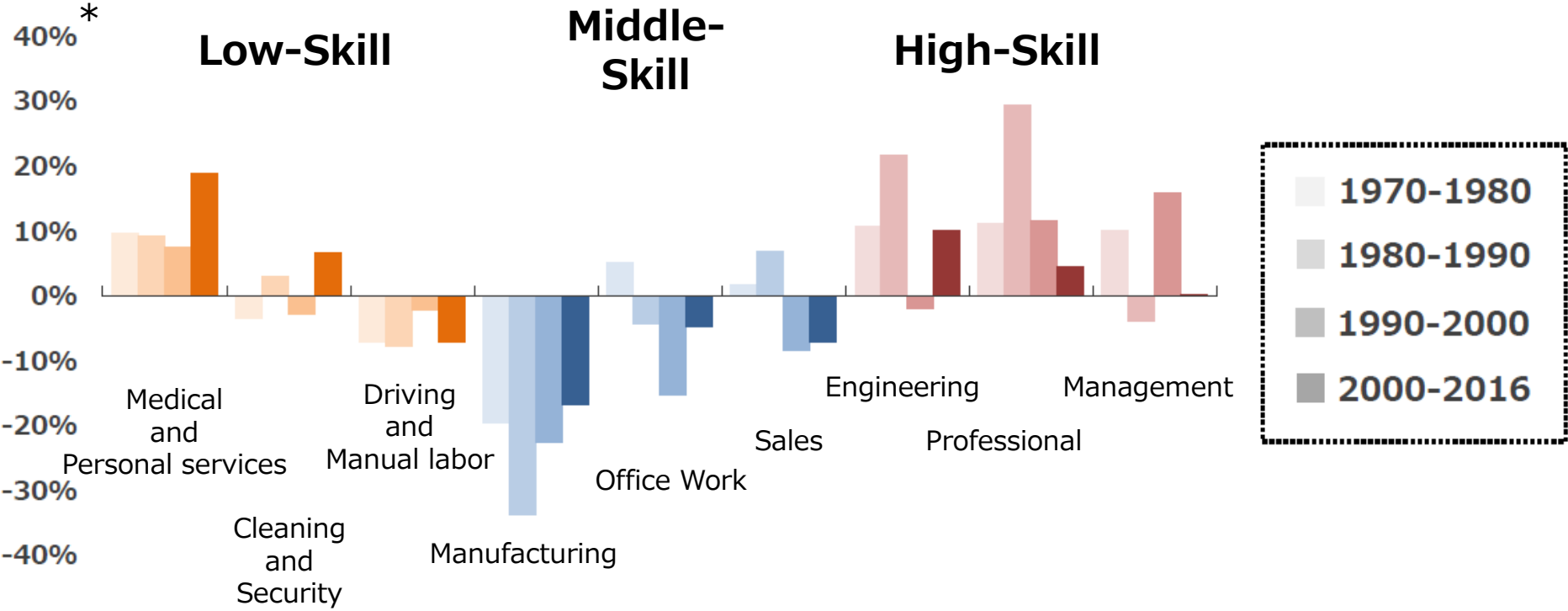
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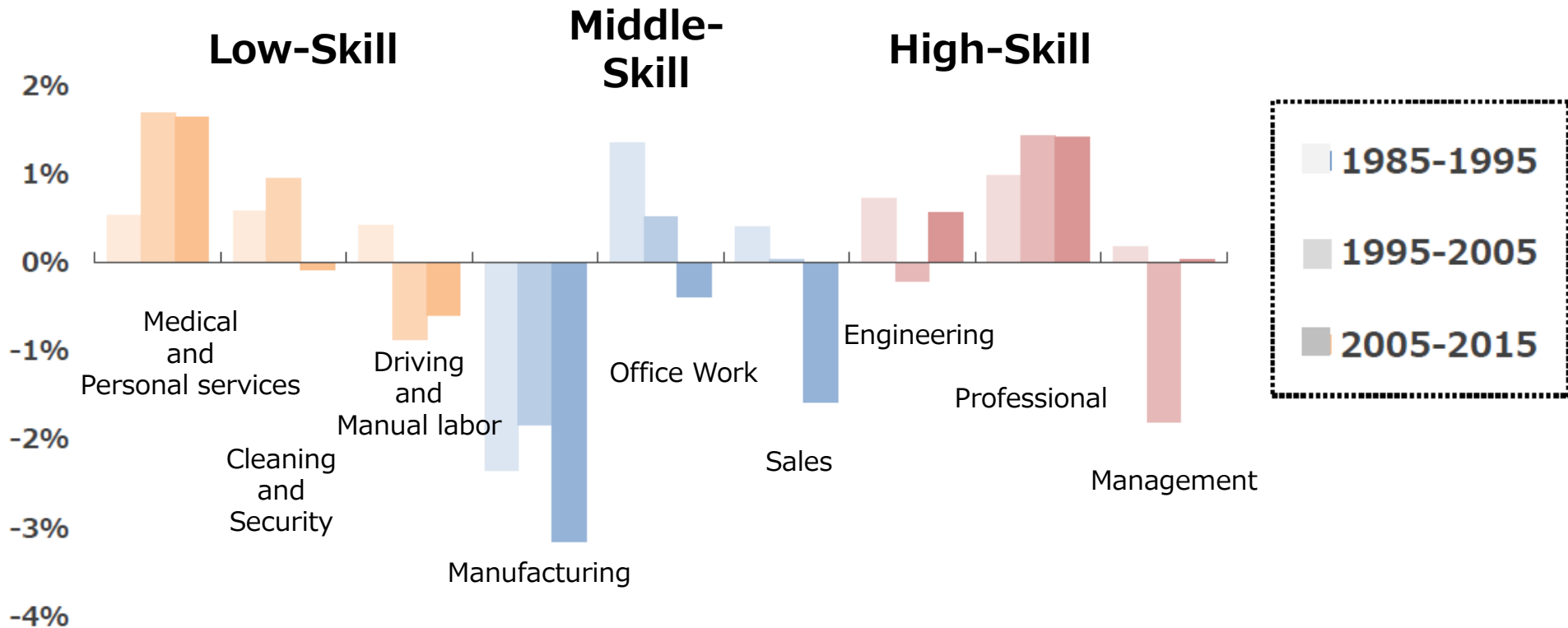Economic and Industrial Policy Bureau, METI

Impact of Automation on the U.S. Labor Market

(*Share growth of total hours worked in each occupation)

Source: Vision for Future Human Resources (METI, 2022), David Autor "Work of Past, Work of the Future" (2019)
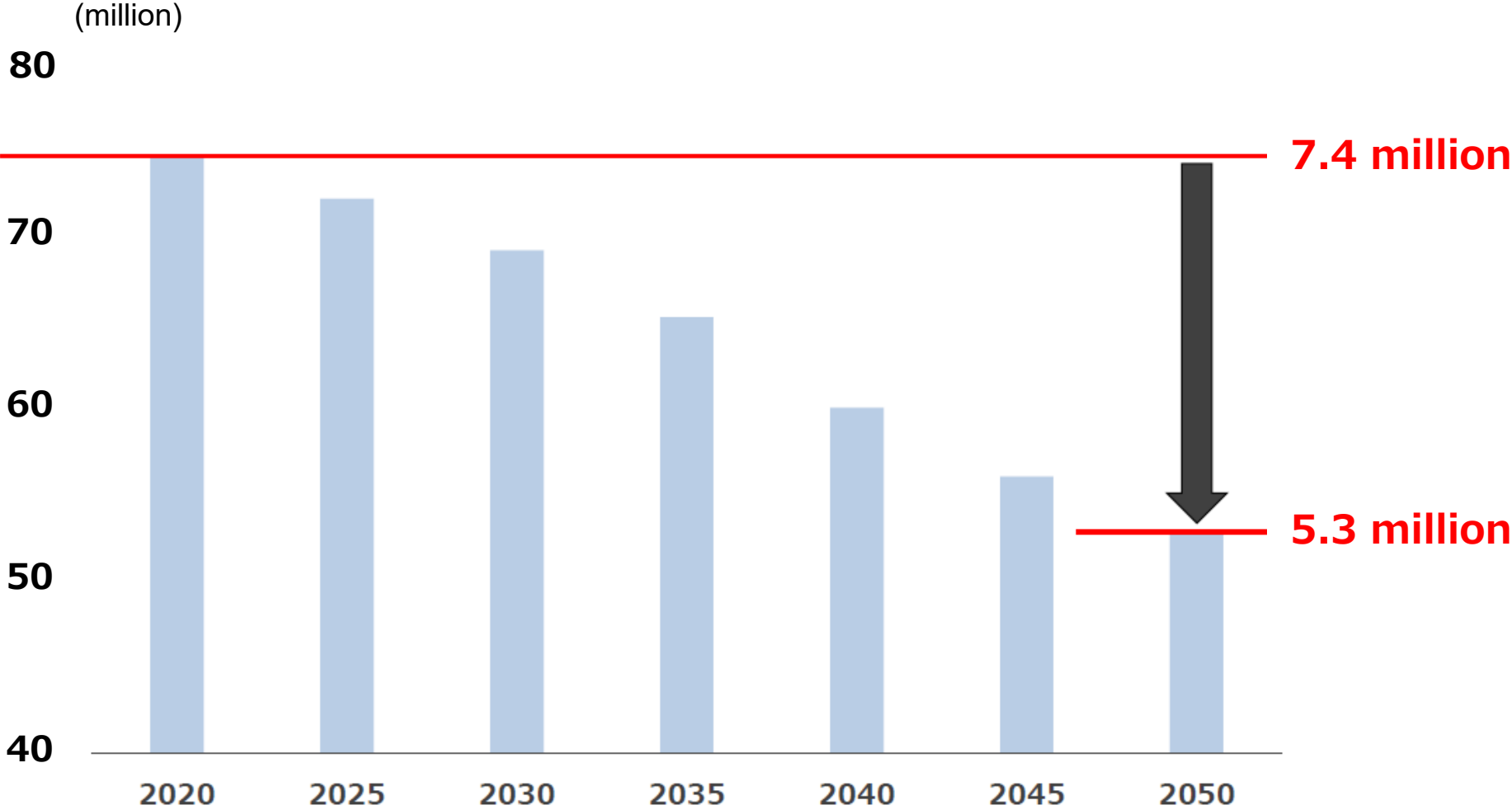
Impact of Automation on Japanese Labor Market

Low-Skill **Middle-Skill** **High-Skill**

Legend:
- 1985–1995
- 1995–2005
- 2005–2015

Categories: Medical and Personal services, Cleaning and Security, Driving and Manual labor, Manufacturing, Office Work, Sales, Engineering, Professional, Management

(*Change in share of number of occupations)

Source: Vision for Future Human Resources (METI, 2022), Daron Acemoglu, David Autor "Skills, Tasks and Technologies: Implications for Employment and Earnings" (2010), National Census (Ministry of Internal Affairs and Communications).

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Japan's working-age population will decline to 2/3 of the current level by 2050

(million)

7.4 million

5.3 million

Source: National Institute of Population and Social Security Research, Population Projections for Japan (FY 2017 estimates)

Overview of EU AI Act (Mar. 2024)

○**AI risks and corresponding measures**

1. **AI with unacceptable risks** (e.g., those causing physical or mental harm, biological classification systems based on religion, sexual orientation, etc., indiscriminate collection of facial images, etc.)
→**Prohibited**

2. **AI with high risk**

   ① AI systems used as safety components of products regulated by existing EU laws and regulations

   ②AI systems enumerated as "high risk" in this act (e.g., Biometric identification of natural persons, management and operation of critical infrastructure, for recruitment and personnel evaluation/performance assessment, etc.)

   →**Providers Obligations**: Establish and implement a quality management system within the organization, conduct conformity assessment, etc.
   →**User obligations**: appropriate use of the relevant AI, provision of information to providers, etc. in case of problems, etc.

3. **AI with limited risk (chatbots, etc.)**
   →**Ensure transparency** for users to recognize the use of AI (Labeling, Notification etc.)

4. **Minimum risk AI**: AI that does not fall under the above three steps
   → **No legal obligation**

5. **Provisions for "general-purpose AI" such as generative AI**
   →**Transparency requirements**, with risk management, monitoring, model evaluation, sample testing, etc. mandated as necessary.

EU AI Policy Package (Jan. 2024)

✓ Extension of the menu of the existing EU HPC Joint Program (a fund set up by the public and private sectors to support the development and utilization of HPC in the EU) to include **fast machine learning and training of large-scale general-purpose AI (GPAI) models.** (€2.1 billion)

✓ **Support for new applications of generative AI in 14 industries** (including robotics, health, biotechnology, manufacturing, mobility, climate action, and virtual reality) and the public sector in Europe. (EUR 500 million)

✓ Establishment of the European Digital Infrastructure Consortium (EDIC) to accelerate **the development and deployment of a common European data space available to companies for AI development**. Organize data on healthcare, media, transportation, tourism, agriculture, construction, energy, etc.

✓ **Establishing an AI Office** within the European Commission to ensure the development and coordination of AI policy at the European level and to oversee the implementation and enforcement of the AI legislation.