



To the European Commission

Margrethe Vestager, Executive Vice-President “*A Europe Fit for the Digital Age*”

Thierry Breton, Commissioner “*Internal Market*”

Strasbourg, 28 February 2024

Dear Vice-President Vestager, dear Commissioner Breton,

The European AI Act was one of the EU’s most heavily lobbied files.¹ Naturally, hearing a fair and balanced view of stakeholders is necessary for good lawmaking. However, to ensure fairness, stakeholder representation must be ethical and there must be full transparency of interests. The recent announcement that Microsoft and Mistral are entering a ‘strategic partnership’², including investments and in the long run equity³, has raised serious questions, in the area of lobbying ethics, transparency, conflict of interests and monopolisation of the AI market.

Transparency of interests

Mistral was influential in the AI Act lobbying and presented itself as a new European champion challenging Big Tech, notably challenging OpenAI and therefore Microsoft.⁴ Mistral’s demands often seemed to coincide with that of Microsoft and other very large US tech companies.⁵ Months after the final trilogue, Mistral and Microsoft have now entered a ‘strategic partnership’. This turn of events gives rise to many questions.

Possible conflict of interests leadership Mistral

Ex-State Secretary for Digital turned Mistral co-founder Cedric O, coordinated efforts against regulation of general purpose AI in the AI Act only months after founding Mistral.⁶ Nationally, O was not allowed to join the Board of Directors of Atos due to a conflict of interests with his previous function.⁷ Still, O influenced the AI Act debates in his new role, notably heavily influencing the French position - including ex-colleagues from his former government and his party.⁸ This sequence of events raises serious ethical concerns.⁹

¹ <https://corporateeurope.org/en/2023/11/byte-byte>; <https://verfassungsblog.de/bigtechs-efforts-to-derail-the-ai-act/>.

² <https://azure.microsoft.com/en-us/blog/microsoft-and-mistral-ai-announce-new-partnership-to-accelerate-ai-innovation-and-introduce-mistral-large-first-on-azure/>; <https://time.com/6835345/mistral-microsoft-ai-partnership/>; <https://www.reuters.com/technology/microsoft-partners-with-openais-french-rival-mistral-2024-02-26/>.

³ <https://www.reuters.com/technology/microsofts-deal-with-mistral-ai-faces-eu-scrutiny-2024-02-27/>; <https://techcrunch.com/2024/02/27/microsoft-made-a-1-6-million-investment-in-mistral-ai/>.

⁴ <https://www.euronews.com/next/2023/12/11/french-ai-start-up-mistral-reaches-unicom-status-marking-its-place-as-europes-rival-to-op>.

⁵ <https://time.com/6338602/eu-ai-regulation-foundation-models/>; <https://corporateeurope.org/en/2023/11/byte-byte>; <https://verfassungsblog.de/bigtechs-efforts-to-derail-the-ai-act/>.

⁶ <https://www.theverge.com/2023/6/30/23779611/eu-ai-act-open-letter-artificial-intelligence-regulation-renault-siemens>; <https://www.ft.com/content/9b72a5f4-a6d8-41aa-95b8-c75f0bc92465>.

⁷ <https://www.la Tribune.fr/techno-medias/informatique/le-conseil-d-etat-interdit-a-cedric-o-d-entrer-au-conseil-d-administration-d-atos-966827.html>.

⁸ <https://www.euractiv.com/section/artificial-intelligence/news/behind-frances-stance-against-regulating-powerful-ai-models/>.

⁹ <https://www.euractiv.com/section/artificial-intelligence/news/ai-act-french-government-accused-of-being-influenced-by-lobbyist-with-conflict-of-interests/>.

Monopolisation of the AI market

With the ‘strategic partnerships’ between Microsoft and OpenAI and Microsoft and Mistral we see an already heavily concentrated market further concentrating.¹⁰ We highly value the Commission’s investigations¹¹ into these partnerships that lead to further market concentration. In this context, we have a number of questions about the applicability of current competition law tools and building of alternative infrastructures.

Therefore, we would like to ask you:

1. Has the European Commission had contact with Mistral about the AI Act, if so, how many times and when? And if so, what were the main points Mistral was pushing for in the AI Act? Or was Mistral’s contact only limited to French government officials only?
2. Has the European Commission had contact with Microsoft about the AI Act? If so, how many times and when, and what were the main points Microsoft was pushing for in the AI Act?
3. Does the Commission identify any overlap in the positioning of Mistral and Microsoft in their positions on the AI Act?
4. What ethics and integrity rules are applicable to ex-Ministers and high representatives of government in the EU? And which ethics and integrity rules are applicable to positioning of Member States in Council? In particular with regards to cool down periods and lobbying on EU regulations?
5. Does the Commission plan to investigate Mistral and Microsoft’s lobbying and any correlations between the two? And to assess whether the current EU-rules on lobbying are still up to standard to ensure transparency of interests of lobbying parties and for preventing conflicts of interests?
6. Is the Commission assessing application of competition law to the monopolisation of the AI market? And does the Commission have enough tools to address monopolisation of the AI market under current competition law rules?
7. Will the Commission investigate whether Mistral, Microsoft and Open AI have been forming a cartel, meaning agreements between two or more independent market operators, which restrict competition?
8. Is the Commission considering new initiatives to invest in Europe public digital infrastructure, especially by making funding available and by taking action against market monopolies in the cloud market infrastructure, as a means to stimulate alternatives in the future?

Signed by:

MEP Kim van Sparrentak (Greens/EFA) IMCO Shadow Rapporteur AI Act

MEP Sergey Lagodinsky (Greens/EFA) LIBE Shadow Rapporteur AI Act

MEP Anna Cavazzini (Greens/EFA) IMCO Chair

MEP Marcel Kolaja (Greens/EFA) CULT Rapporteur AI Act

¹⁰ <https://corporateeurope.org/en/2023/11/byte-byte>

¹¹ <https://www.ft.com/content/27f641cd-ee6d-4486-8005-d7e388f4a616>; <https://www.reuters.com/technology/microsofts-deal-with-mistral-ai-faces-eu-scrutiny-2024-02-27/>.