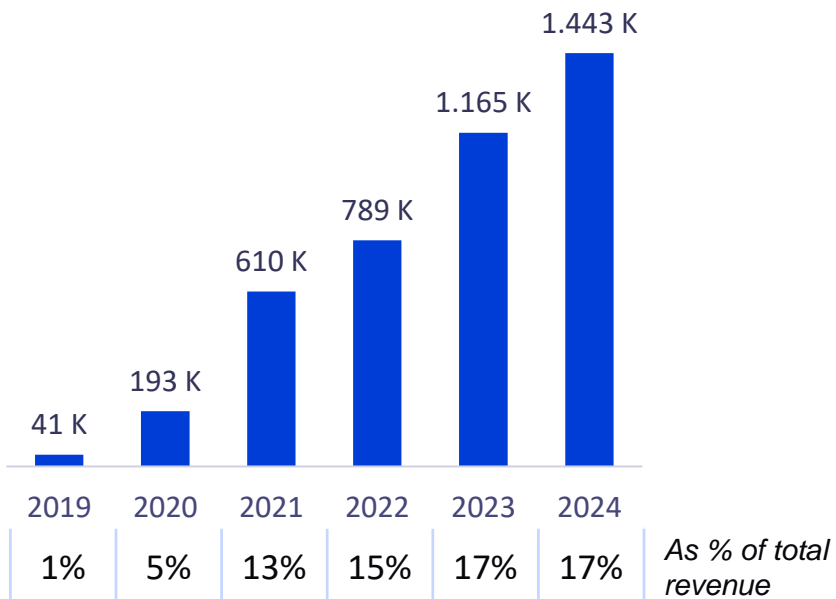# Strengthening our Project Capabilities

PURPOSE: Motion to the General Assembly to set up a separate legal entity for DIGITALEROPE's projects - *Rationale*

DIGITALEUROPE

SITUATION: DIGITALEUROPE's project capabilities have grown significantly over the last years and are attracting increasing member interest

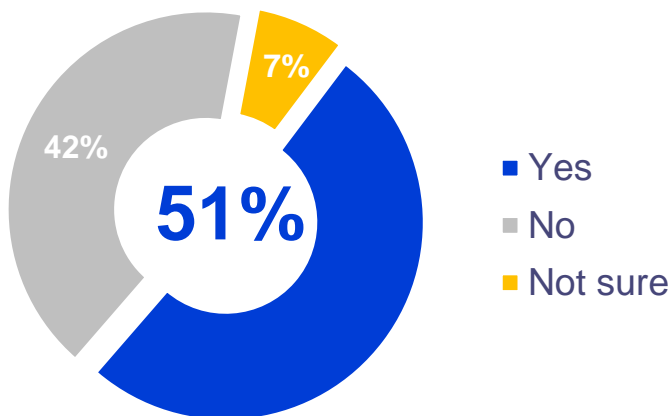## Our **Project** capabilities have hugely **grown** over the last years

Revenue from projects

2019	2020	2021	2022	2023	2024
41 K	193 K	610 K	789 K	1.165 K	1.443 K
1%	5%	13%	15%	17%	17%

As % of total revenue

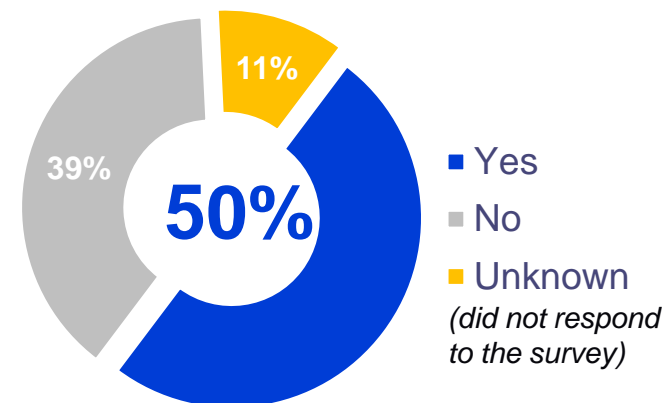## **Over half** of members have experience in EU projects

% of members engaged in EU projects
(out of those who responded to the survey; N=137)

51%

- 7% Not sure
- 42% No
- 51% Yes

■ Yes
■ No
■ Not sure

And they would like to work with us

% of members wishing to collaborate on EU projects

50%

- 11% Unknown
- 39% No
- 50% Yes

■ Yes
■ No
■ Unknown
(did not respond to the survey)

Currently 21% of members participate in our projects

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OPPORTUNITY: Strengthen DE's Project Governance, access strategic projects on critical technologies & engage new stakeholders

<u>**Rationale**</u>

- Project and Policy units are **very distinct** in nature, required staff expertise and skills and financing models;

- **Establishing a separation of duties** between these units, as some other associations do, would allow DIGITALEUROPE to:

  1 maintain focus on its **core advocacy activities**;

  2 **expand our project portfolio** through access to **strategic EU-funded** projects in critical tech areas like AI or cyber, which are subject to strict EU control and ownership requirements;

  3 **Closer engage with a broader network of stakeholders** (e.g. Research Institutes & Universities) without affecting existing policy work or membership;

  4 ensure **financial self-sustainability** of the projects structure.

SOLUTION: Establishment of a distinct legal entity, governed by EU27 NTAs and DE, with associate free membership for Corporates

Governance

- Automatic full membership with voting rights to **NTAs** (EU controlled) at **no additional cost**

- Automatic, non-voting membership offered to **Corporate members** at **no additional cost**

- Associate membership for **universities and research centers** at a **low fee**

- Governance model, to be further discussed with lawyers and approved by ExB

Operations

- Apart from limited set-up cost (approx. 40K), full **financial self-sustainability** through project funding

Indicative timeline

| **13 Nov** ExB approval | **Dec** GA approval | **Jan-Feb 2025** Design governance framework | **Mar 2025** Final Board approval | **Apr-Jun 2025** Registration & set-up |