



16 July 2025

# DIGITALEUROPE reaction to the European Commission's first proposals for the 2028-2034 EU Budget

We welcome today's long-awaited MFF proposal – a first step toward a simple, strategic and more flexible EU long-term budget with focus on competitiveness and security.

We need to build scalable technology capabilities across sectors like health, energy, mobility, and defence. Limited-budget mechanisms, spread across various sources and instruments, will not adequately support European companies. We need to boost scalable, industry-focused demand, and we expect to see a single overarching fund that provides all kind of support needed, from equity and grants to guarantees and funding for scalable common procurement .

DIGITALEUROPE stands ready to help craft the details. Europe's €800 bn investment gap can't wait until 2028. We also need to incentivize investments right now and make sure we are building capacity in the next 1-3 years and continue to do so.

☒ The Competitiveness Fund begins to take shape around critical technology areas, such as clean & energy tech, health, defence, space and digital resilience, exactly where Europe must lead.

## Why digital investment is non-negotiable

The EU needs additional investment between €157 billion and €227 billion per year on average to fill its digital investment gap.<sup>1</sup> Unless the EU Budget channels far more than the current 7 % into digital – 25 % is the bar – we won't close that gap.

Digital technologies are crucial to cut emissions, protect critical infrastructure and super-charge productivity – they need to drive action across all the EU's strategic priorities.

## Next steps


Improve funding frameworks now by following our **six design principles for a future-proof EU budget**:

- ▶ **Agility** – funding decisions within three months & rolling calls
- ▶ **Access for all** – one-stop shop & lighter admin
- ▶ **Commercialisation first** – back market-ready innovation, not pilots

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<sup>1</sup> [EPRS STU\(2025\)762853 EN.pdf](#)



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- ▶▶ **Boost digital resilience** – prioritise dual-use & critical tech
  - ▶▶ **Security before price** – collective procurement that values sovereignty
  - ▶▶ **Leveraging, not substituting** – EU funds must crowd-in private capital

## Make demand the driver

The next MFF must focus on creating demand for innovative solutions. We need coordinated EU-level investments and procurement of AI, quantum, drones and green tech that will create the scale European innovators need.

Under the incoming Danish Council Presidency, we urge Member States to apply these principles to deliver a budget that helps Europe **innovate, build and scale**. That's how EuropeCan win the tech race.

🔗 For more detail, see our paper "[Design Principles for a Competitiveness Fund](#)".

#EUBudget #EuropeCan #Competitiveness #TechLeadership

FOR MORE INFORMATION, PLEASE CONTACT:

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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.

## Event description

- ▶▶ Context
- ▶▶ Why are we having this event now?
- ▶▶ General overview of the event (topic, speakers etc)

### DIGITALEUROPE

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