

Brussels, 11 December 2025

MEMORANDUM: Approval of budget 2026

On behalf of the President

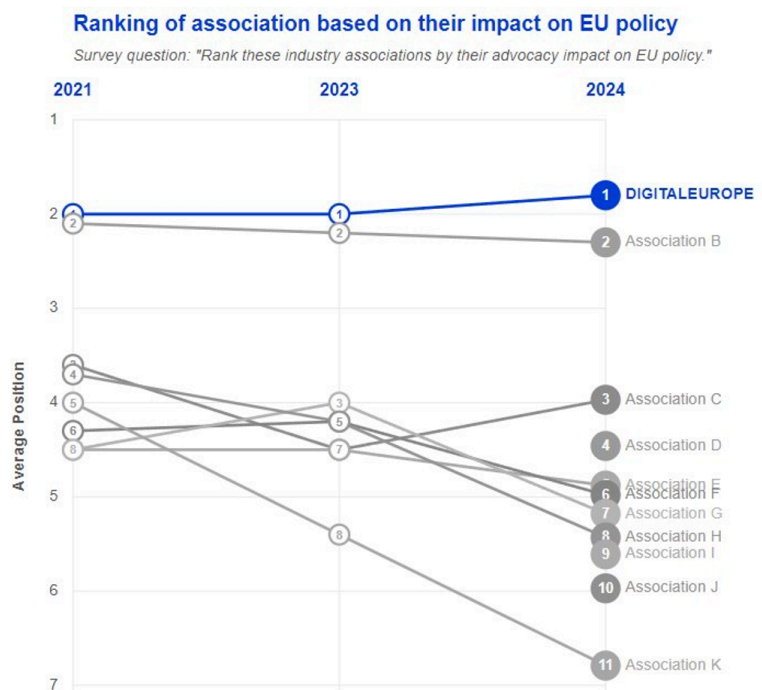
Dear Members,

I am pleased to inform you that the Executive Board has endorsed the 2026 budget following review by the Operations Committee. We now kindly request your approval in accordance with the written procedures outlined in our Statutes & By-laws. Your participation in this decision-making process is essential. We ask that you cast your organisation's vote via the provided ballot form by **16 January 2026 at 18:00 (CET)**.

Context: A Year of Delivery

2025 has been a defining year for DIGITALEUROPE. The investments we made together are paying off. Our members now rank **#1 among EU industry associations for policy impact**. This recognition reflects the quality of our collective advocacy and the trust we have built with EU institutions. Member also rated 4.4/5 on their overall satisfaction with DIGITALEUROPE and 4.6/5 the reputation of the association.

This directly reflects impact; the political environment has shifted decisively in the direction we have long advocated. President von der Leyen's commitment to a **50% regulatory burden reduction**, the appointment of a dedicated Simplification Commissioner, and the launch of the Digital Simplification Package all echo the priorities we outlined in our Manifesto and subsequent thought leadership. Our "Cut, Simplify, Incentivise" framework has been an underlying framework in Brussels to boost EU competitiveness.



Some of our industries' key wins in 2025:

On Competitiveness:

- **Digital Simplification Package:** 50% burden reduction target confirmed; AI Liability Directive withdrawn; delays granted for high-risk AI classification; single reporting point established across NIS2, DORA, CRA, and GDPR
- **Sustainability Omnibus:** 68% cut on ESRS reporting data points; 8 of 13 DIGITALEUROPE amendments tabled by JURI MEPs; Green Claims Directive withdrawn
- **Investment commitments secured:** European Competitiveness Fund (€290bn), InvestAI (€20bn), TechEU via EIB (€70bn)

On Security & Resilience:

- **Defence funding:** 5% NATO target on critical infrastructure adopted; €150bn SAFE loans for joint procurement; €130bn EU competitiveness fund includes dual-use
- **Cyber Resilience Act:** NIS2 tracker adopted by Commission; unified cyber reporting track committed
- **EU-US Relations:** Section 899 "revenge tax" scrapped; AI Diffusion export controls rolled back; trade deal includes cyber and chips cooperation

On Engagement:

- **AI & Tech Declaration:** 54 current CEO signatories with President von der Leyen endorsing it in her State of the Union speech on 10 January, CEO-UVL meeting in the making.
- **Delivering on our Executive Council Strategy:** which has resulted in 11 Commissioners, 35 Ministers, 46 corporate CEOs, and 177 executives engaged directly in our activities in 2025
- **17 of 19 PFAS derogations** we requested were approved

On Events:

- **Closed-door roundtables:** major focus on delivering closed-door roundtables with HL participants. In 2025 we delivered 12 Roundtables with over 150 participants
- **Major events:** The organisation kept on delivering multiple high level events, including Masters of Digital with a Gala Dinner, the Summer Summit, US launch, NTA Summits in Denmark and Cyprus, and a joint event with NATO. In total over we had over 3000 participants across those events >100 speakers.

On Growth:

- **14 new members** joined in priority sectors with a strong European presence (>70%): KNDS, Cellock, Netcompany, milestone systems, Nortel, QNR, PPC, American Express, JPMorgan, Sonova, Renault Group, ServiceNow, NTT Data, Latvia IT Cluster, and Servicenow.

DIGITALEUROPE Priorities and Investment Areas for 2026

Our investment strategy for 2026 builds on this momentum. We are at a critical juncture: the legislation is moving from adoption to implementation, and the associations that shape this phase will determine Europe's digital future.



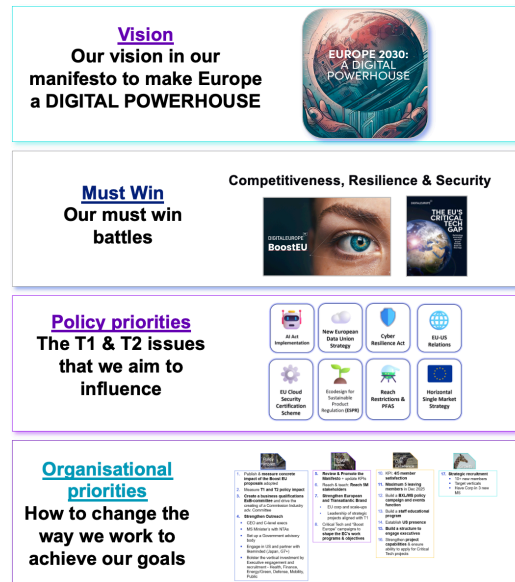
For information

The 4 levels of DIGITALEUROPE's priorities

DIGITALEUROPE



25



1. Our Vision

Our vision remains unchanged: to establish Europe as a **Digital Powerhouse** that leads in innovation, resilience, and sustainable growth. Every investment we make serves this objective.

2. Major Campaign Focus

We will sustain our dual-track campaign to ensure the EU institutions deliver on their commitments:

- **Competitiveness:** From adoption to implementation. Ensuring the new rules work for industry while mobilising the funding programmes Europe has committed to.
- **Security & Resilience:** Supporting Europe's defence and security posture, including dual-use technologies and transatlantic cooperation.

3. Clear Policy Priorities

Following our resource allocation survey, with **86% member participation (138 responses)**, the top policy priorities for 2026 are:

Category 1 Priority	# of T1 votes
Digital Simplification Package (AI, Data & Cyber)	87
AI Act Implementation	66
Cloud and AI Development Act (CAIDA)	43
EU-US Relations	42
Cyber Resilience Act	35
Sustainability Omnibus	33

MFF negotiations (incl. European Competitiveness Fund)	29
Digital Defence (EU and NATO investments)	27

Our resources will be focused on delivering results in these eight areas, alongside the **Category 2 issues** identified by members, namely: Health Data, AI in healthcare, Financial Data Access Regulation (FIDA), Roadmap for Digitalisation and AI in energy, Trade Security Measures, Digital Simplification Package (Cyber), Cyber Resilience Act, Digital Defence: Shaping EU and NATO Defence Investments, Environmental Omnibus, Circular Economy Act & WEEE Directive, Ecodesign for Sustainable Products Regulation (ESPR) Horizontal Framework, REACH restrictions & PFAS, Batteries Regulation (sustainability, safety & due diligence), Strengthening the Single Market (barriers reduction), Digital Product Passport (DPP), EU Product Act (incl NLF & ESS), GDPR Review & Implementation, Data Act implementation, European Data Union Strategy, and AI Standardisation. Find the full overview of Cat 1,2,3, and 4 issues in our workplan [here](#).

Staff performance continues to be tied to member assessments of our policy impact.

4. Organisational Priorities

Our organisational priorities focus on the organisational elements that allow us to deliver the maximum impact:

- **Policy Impact:** Build internal capacity to deliver major campaigns on Category 1 & 2 issues by establishing campaign coordination and events functions, and strengthening executive and CEO engagement to maximize influence on top-level policymakers through initiatives like the AI & Tech Declaration.
- **Thought Leadership:** Strengthen our European brand and relevance by expanding our Executive Councils, scaling up Masters of Digital and high-level events, and delivering targeted closed-door roundtables with high-level stakeholders to produce impactful policy recommendations.
- **Operational Excellence:** Deploy AI tools internally to increase staff efficiency and output, and continue upskilling our team.
- **Growth:** Expand strategic membership in priority sectors to increase our relevance to policymakers and fuel our growth.

Financial Perspective

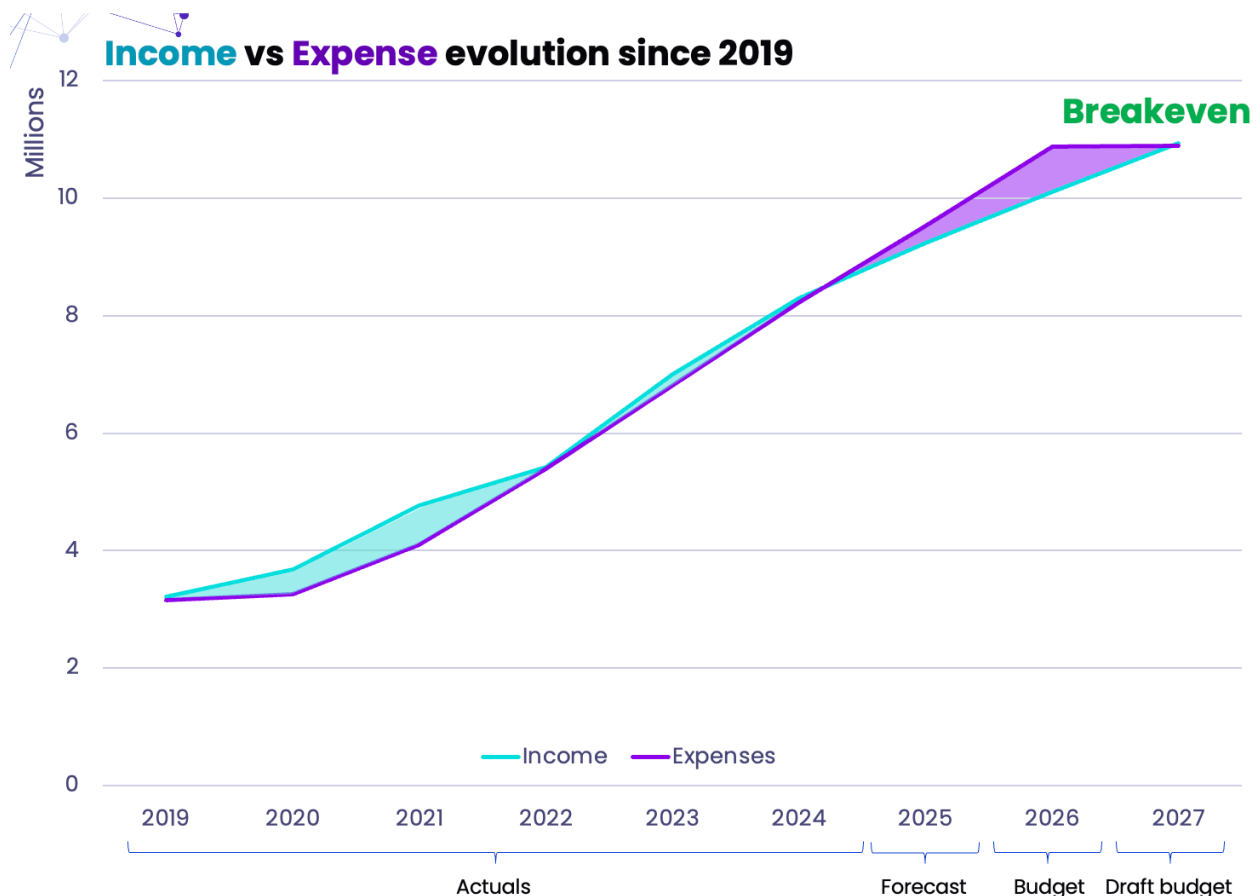
Since 2019, DIGITALEUROPE has accumulated a **€1.4M surplus** from COVID-era cost savings. The Board earmarked this fund for strategic investment over subsequent years. We have consistently budgeted to deploy this surplus (2022: -€322k, 2023: -€611k, 2024: -€580k, 2025: -€400k) but, each year, actual results outperformed budget, leaving more surplus available than planned (see graph below). **In 2026, we are budgeting to deploy €800k** to front-load growth and maximise impact during this critical implementation phase of the Commission competitiveness plan. This is deliberate: we are investing when it matters most.

The graph below illustrates this trajectory. Income and expenses have grown in parallel since 2019. **By 2027, we return to a balanced budget.**

Our expense flexibility remains strong. Our events and natural staff attrition provide adjustment levers should circumstances require. Even after the planned €800k investment, we retain **€333k of surplus as an additional buffer** should anything deviate from expectations, on top of the €847k reserves which remain untouched. The association's financial health is sound.

Regarding membership, we forecast 9 new members for 2026: 3 to compensate for departures and 6 net new. This is reasonable, also considering that 14 members joined us in 2025. Our budget assumptions remain conservative, allowing flexibility throughout the year.

In light of these considerations, the Board has unanimously approved this budget, and we are submitting it to the General Assembly for your approval.



Total Budgeted Income 2026: €10,077,551

The organisation's revenue growth stems from:

1. **Membership growth:** 6 net new corporate members plus 2.4% indexation (current forecast)
2. **Sponsorship:** Record-breaking Masters of Digital and Summer Summit performance; introduction of executive engagement revenue stream. The major difference between Budget 2025 and Forecast 2025 is that sponsorship revenue was previously reported net of costs. For greater transparency, we now report gross revenue with corresponding expenses.

3. **Project revenue:** Aligned with policy priorities and leveraging our new legal entity

INCOME	Budget 2025	Forecast 2025	Budget 2026
Memberships	€6,828,814	€6,831,983	€7,448,898
External projects (net, budget for staff costs)	€1,463,649	€1,326,401	€1,481,103
Sponsorships	€150,000	€732,000	€900,000
Interest income & other	€83,122	€203,330	€105,251
Policy related projects (net, excl. staff costs)	€435,000	€142,300	€142,300
Total income	€8,960,585	€9,236,014	€10,077,551

Total Budgeted Expenses 2026: €10,772,013

The following factors underpin the increase in expenses:

1. **Staff costs:** Indexation (2.4%) and full-year impact of 2025 recruits; continued investment in policy team capacity aligned with members priorities
2. **Events & outreach:** Appears higher because all event costs are now included to reflect the true operational investment. In Budget 2025, events were reported as net revenue.
3. **Office costs:** Landlord contribution expiring (contract provided 5 months free in 2024 and 2025)
4. **IT investments:** AI tooling implementation and storage upgrades as well new staff

As in previous years, we have budgeted two full memberships (€110k) as bad debt, though we consider this amount conservative.

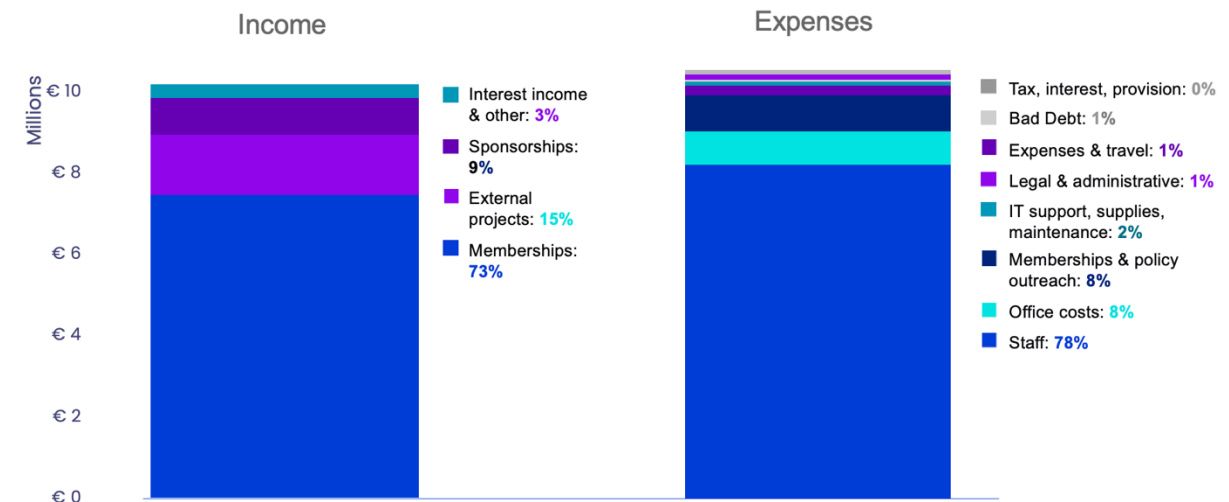
EXPENSES	Budget 2025	Forecast 2025	Budget 2026
Staff related Costs	€7,551,074	€7,366,770	€8,478,553
Office Costs	€587,809	€667,548	€846,625
Travel and Expenses	€149,123	€137,958	€140,718
Telecoms	€36,608	€36,608	€37,340
IT, IT support, web, supplies, maintenance*	€223,327	€245,355	€250,262
Legal & Administrative Fees	€104,130	€124,819	€107,315
Memberships, Policy outreach & Events	€593,400	€896,654	€914,587
Tax, Interest & Provisions*	€7,415	-€3,320	-€3,387
Total expenses	€9,252,886	€9,472,392	€10,772,013

BALANCE

As in previous years, 2025 is forecast to outperform budget. We expect to close the year having deployed €110k less surplus than planned. For 2026, we are budgeting to invest €804k from our accumulated surplus to maximize impact during this critical period. The €333k of surplus remaining at year-end serves as an additional buffer should anything deviate from expectations, on top of the €847k reserves which remain untouched. As shown in the graph above, we budget to return to a breakeven budget in 2027.

BALANCE	Budget 2025	Forecast 2025	Budget 2026
Total income	€8,960,585	€9,236,014	€10,077,551
Total expenses	€9,252,886	€9,472,392	€10,772,013
Bad debt	€108,409	€54,205	€110,000
Net operating revenue (not incl. surplus)	-€400,710	-€290,583	-€804,461
Available surplus at start of year	€1,428,162	€1,428,162	€1,137,579
Available surplus by end of year	€1,027,452	€1,137,579	€333,118
Reserves	€847,863	€847,863	€847,863

Overview of budget



Thank you for your continued support and trust in DIGITALEUROPE's mission.

If you have any questions about the organisation's 2026 budget, please contact yann.finger@digitaleurope.org (+32 493 40 56 11).