

# CREATING A MARKET FOR SCALE & INNOVATION:

INCENTIVES TO POWER EUROPE'S  
TECH LEADERSHIP

DIGITALEUROPE 

# Executive Summary



“In the struggle between democracy and autocracy, the digital sphere is not a sideshow: it is the frontline.”<sup>1</sup>

Ursula von der Leyen  
European Commission President



For Europe, winning on this front line means winning the tech race. We are rich in ideas and lead globally in areas like connectivity and green tech. Yet, our most promising companies are leaving – not for lack of ambition, but because they lack scalable markets, procurement opportunities and investments in Europe.

The core problem is not innovation but commercialisation. European companies face high regulatory burdens, scarce capital and fragmented national markets. They do not need more one-off pilot programmes and disconnected grants. Companies need customers and demand. Innovation cycles are now measured in weeks or month and scale and speed are key to success.

**Digital technologies are the core enabler of competitiveness across all of Europe's strategic sectors.** They are central for our security, building a green economy and driving productivity.

**The European Commission has set the right direction: reduce regulatory burdens, unlock investments and modernise procurement. But we are running out of time. The race is on.** The EU must urgently create incentives, investment frameworks and market scale for innovative technologies. This ambition is already taking shape through initiatives such as the Copenhagen Project<sup>2</sup>, which drives large scale investment and procurement in dual use technologies to protect Europe's critical infrastructure, builds the future digital defence capabilities and restores Europe's digital competitiveness and sovereignty.<sup>3</sup> By linking innovation, procurement and investment, the project demonstrates how coordinated EU action can translate strategic planning into operational capability.

**The power of innovation lies in its adoption.**

Without real, scalable demand and customers, our most promising tech companies will keep leaving Europe – or will be bought before they grow. Yet, Europe's investment gap is enormous: almost €1.2 trillion per year.<sup>4</sup>

The fiscal pressure means we must choose wisely. To protect Europe's prosperity, security and our democratic model, the EU must invest where impact is highest: digital resilience and security, connectivity, automation, energy tech, mobility, green tech and health.

**We simply cannot afford 27 separate solutions to strategic challenges like modernising our energy grids, protecting our critical infrastructure and deploying Artificial Intelligence.**

We need coordinated procurement, EU-level investment, integrated capital markets and harmonised tax incentives. The United States created demand through federal funding for defence, manufacturing and research. Europe must do the same – using its purchasing power to back the technologies it wants to lead in.

**We must act now to unlock investments into Europe's future. To scale what we invent, buy what we build and reap the benefits for Europe.** This requires urgent EU action, political will by Member States and the commitment of Europe's digitally transforming industries – which stand ready to invest in projects that will drive Europe's security and competitiveness.

Expanding on **DIGITALEUROPE's AI and Tech Declaration** launched on 10 September 2025 in Strasbourg,<sup>5</sup> this paper outlines how we can do that – quickly, effectively and together.

<sup>1</sup> Keynote address by President von der Leyen at the Tallinn Digital Summit Tallinn, 10 October 2022.

<sup>2</sup> Available at <https://cdn.digitaleurope.org/uploads/2025/10/DIGITALEUROPE-Concept-Note-The-Copenhagen-Project.pdf>.

<sup>3</sup> See DIGITALEUROPE, *Our recommendations for an open and secure Europe*, available at [Our recommendations for an open and secure Europe - DIGITALEUROPE](#)

<sup>4</sup> ECB Blog: Time to be strategic: how public money could power Europe's green, digital and defence transitions (25 July 2025): [Time to be strategic: how public money could power Europe's green, digital and defence transitions](#)

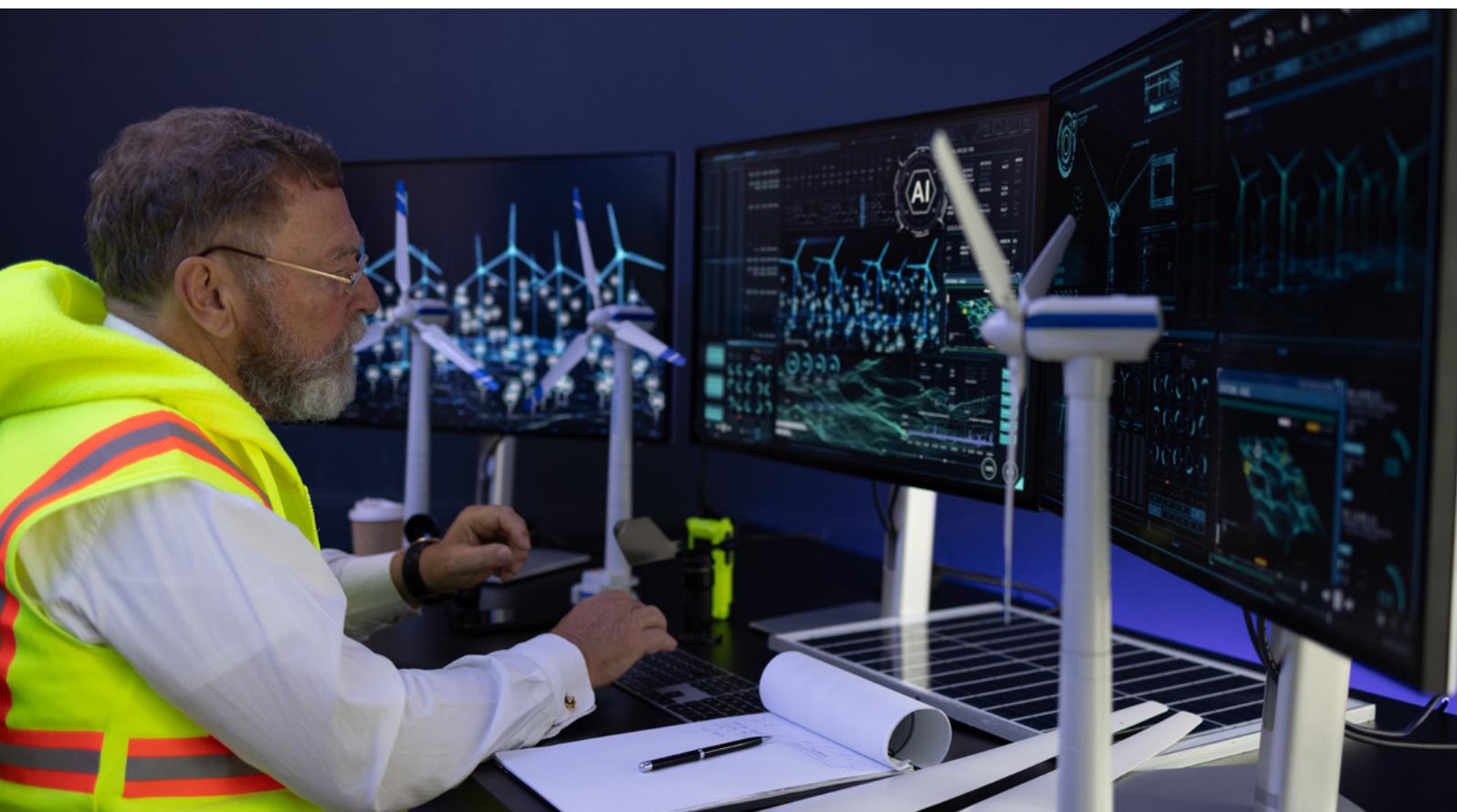
<sup>5</sup> Available at <https://www.digitaleurope.org/european-ai-and-tech-declaration-page/>.



# Key recommendations

# Boost critical tech investment at scale

- ▶ **Close the EU's investment gap** to achieve its 2030 digital targets by mobilising €250 billion in EU and coordinated national public funds over the next five years for digital technology. Use targeted investments and derisking instruments to crowd in at least €500 billion in private capital.
- ▶ **Dedicate at least 25 per cent of the next EU long-term budget (2028–2034)** to the deployment of critical and digital technologies, including industrial AI, semiconductors, quantum, satellites, cybersecurity, data spaces, drones, connectivity, energy, health tech and clean tech.
- ▶ **Establish a €450 billion European Competitiveness Fund (ECF)** with a strong focus on critical and dual-use technologies to make Europe a digital and secure powerhouse. The ECF must drive research and development spending in close alignment with Horizon Europe and we must move towards a three-month turnaround from application to funding decision to accelerate Europe's technological leadership.
- ▶ **Launch mission-driven EU investment projects and procurement supporting tech deployment** in key industrial sectors and joint EU procurement projects of AI and other critical technologies, including for the protection of critical infrastructure. Enable the European Investment Bank to triple its annual lending from €100 billion to €300 billion to ensure patient capital is available for Europe's technological leaders to invest, scale and stay in Europe.
- ▶ **Introduce coordinated EU-wide tax incentives** to encourage cross-border research and innovation (R&I) and technological deployment of critical technologies. Provide guidance to Member States to cover both capital investments and operational expenditures that boost digital resilience, innovation and workforce development for the digital economy.





## Build and protect Europe's digital backbone

- ▶ **Use remaining funds under the current Multi-annual Financial Framework to boost EU-level initiatives for protecting critical infrastructure (the Copenhagen project).** Europe's security cannot wait. Existing funding streams, including Horizon Europe, should be aligned with mission-based challenges to protect critical assets such as energy, connectivity, water and airports.
- ▶ **Create major financial and administrative incentives for AI and critical tech investments.** Accelerate AI deployment and the implementation of regulatory sandboxes, supported by simplified rules, dedicated EU funding, fast-track permitting, targeted tax incentives, a more flexible and coordinated EU state aid approach and large-scale public-private partnerships.
- ▶ **Modernise and speed up the construction of electricity infrastructure** by reforming pricing rules to support investments into smart grids, streamline grid permitting and ensure a mandatory target of 32 per cent electrification by 2030.
- ▶ **Harmonise rules and permitting for autonomous mobility**, meet key deployment deadlines and launch a flagship cross-border investment programme to scale autonomous vehicle technologies across Europe.

# One Governance for doing business in Europe

- ▶ **Establish a European Business Code** (a '28th regime') to enable innovative companies to scale across Europe without navigating fragmented national systems.
- ▶ **Launch a Tech Talent Pact** to improve labour mobility within the Single Market, simplify rules for cross-border remote work, and make the EU a talent magnet, including through fast-track critical tech visa schemes and coordinated tax incentives.
- ▶ **Establish a European Tech Diplomacy Office** to expand international partnerships on trade, innovation, standards, research and secure access to critical supply chains, from semiconductors and cloud to raw materials. Ensure international standards are aligned with European interests.
- ▶ **Fully include trusted partners** in EU funding programmes for digital, dual-use and security-related technologies to benefit from research collaboration, diversify supply and strengthen EU resilience.





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# Horizontal recommendations



# Leverage public and private funding for commercialisation and scale

- ▶ **Close the EU's investment gap to achieve its 2030 digital targets** by mobilising €250 billion in EU and coordinated national public funds over the next five years for digital technology. Speed and scale are essential to reach these goals and avoid falling behind further in the global tech race. Use targeted investments and derisking instruments to crowd in at least €500 billion in private capital.<sup>6</sup>
- ▶ **Dedicate at least 25 per cent of the total next EU long-term budget (MFF 2028–2034)** to the deployment of critical technologies, including industrial AI, semiconductors, quantum, digital twins, satellites, cybersecurity, data spaces, drones, connectivity, energy, health and clean technologies.
- ▶ **Establish a substantial European Competitiveness Fund with ambitious targets to make Europe a digital powerhouse:** Set the proposed Competitiveness Fund at no less than €450 billion with a strong focus on digital and dual-use technologies, which are areas where rapid scaling is essential for Europe's long-term competitiveness and security. Ensure the fund operates under a single, streamlined rulebook to allow flexibility and reduce administrative burden.<sup>7</sup> Shorten the time from funding application to disbursement of funds to three months to offer globally competitive investment offers and quickly respond to commercial and technological opportunities.
- ▶ **Prioritise funding for commercially viable innovation:** Ensure public funding better supports the development and deployment of commercially viable technologies that contribute to the EU's long-term strategic goals. Increase availability and significantly speed up the disbursement of blended grants and loans to bridge the funding gap to market maturity. For promising technologies, link early research grants to guaranteed follow-up investment to allow rapid scaling. The Copenhagen Project exemplifies this approach, creating early markets for trusted European technologies through coordinated EU and national investment. By channelling funds into dual-use solutions that safeguard critical sectors, from ports to power plants and hospitals, it bridges Europe's innovation and operational resilience agendas.
- ▶ **Mobilise Europe's private savings for long-term tech investment:** Accelerate the Savings and Investment Union to channel Europe's substantial private savings into long-term investments that support critical technologies.<sup>8</sup> Create incentive structures to invest timely but patient capital from pension funds, insurers and other institutional investors in high-growth firms across Europe. Better coordinate national tax regimes and consolidate financial market infrastructures. Support venture capital, crowdfunding and private equity, which is essential to scale innovation.

<sup>6</sup> A 2025 EPRS study estimates the EU investment gap to boost high tech digital innovation at €157–227bn per year, of which €24–68bn per year would need to come from public sources. Available at: [EPRS\\_STU\(2025\)762853\\_EN.pdf](https://cdn.digitaleurope.org/uploads/2025/06/2025-05-05_DIGITALEUROPE-Position-on-Competitiveness-Fund_v1.1-1.pdf).

<sup>7</sup> See DIGITALEUROPE, Design principles for a European Competitiveness Fund, available at [https://cdn.digitaleurope.org/uploads/2025/06/2025-05-05\\_DIGITALEUROPE-Position-on-Competitiveness-Fund\\_v1.1-1.pdf](https://cdn.digitaleurope.org/uploads/2025/06/2025-05-05_DIGITALEUROPE-Position-on-Competitiveness-Fund_v1.1-1.pdf).

<sup>8</sup> See DIGITALEUROPE, A Savings and Investments Union to finance Europe's future, available at <https://cdn.digitaleurope.org/uploads/2025/04/DIGITALEUROPE-reaction-to-the-SIU.pdf>.



► **Derisk and crowd in private capital for critical tech:** Use public investment strategically to reduce investment risks and attract private capital to the development, deployment and diffusion of critical technologies, helping Europe close its investment and productivity gaps and secure leadership in emerging tech sectors. Empower the European Investment Bank (EIB) to triple its annual lending and further derisk private capital to facilitate investments by traditionally risk-averse European institutional investors. Use funds-of-funds structures at EU and national level to further diversify risk and make assets more attractive to long-term investors. The EU should broaden its investment programmes to include taking significant equity stakes in European scale-ups, in partnership with private investors and venture capital firms.

► **Modernise EU state aid rules to ensure that operational expenditures are eligible for funding.** With the Clean Industrial Deal State Aid Framework (CISAF) in place, this priority should be clearly conveyed to Member States for implementation. The distinction between capital expenditure (CapEx) and operational expenditure (OpEx) has become increasingly obsolete in the context of modern digital technologies. The continued emphasis on CapEx over OpEx in EU funding remains a barrier to the deployment of state-of-the-art technology because it limits access to operational financing. For example, to enable AI to deliver public value, public funding should be directed not only toward building the infrastructure or AI models, but also towards deployment and the ecosystem required to operate AI in a safe, reliable and ethical way.

# Align Europe's fiscal and funding frameworks with strategic goals

- ▶ **Drive tech adoption in key sectors:** Launch mission-driven EU investment initiatives and challenge-based funding calls to accelerate the deployment of strategic technologies across key sectors including health, data centres, manufacturing, mobility, energy, public services and defence. These initiatives should also support coordinated EU-wide procurement of AI and other critical technologies, helping to aggregate demand and drive scale. Examples of such projects are provided in the sector-specific recommendations below.
  - ▶ **Exempt national strategic tech investments from EU fiscal constraints:** Follow the example on defence funding and amend the EU fiscal framework to exempt national investments in critical technologies that address Europe's strategic priorities like secure connectivity. Recognise these investments as long-term assets essential to European resilience and competitiveness, not short-term liabilities.
  - ▶ **Use EU defence budgets to co-finance interoperable digital capabilities:** Shift defence spending toward interoperable, secure digital capabilities such as autonomous systems, secure networks and drones to reflect the changing nature of hybrid threats and technological warfare.<sup>9</sup> Prioritise joint procurement and scale-up mechanisms to deliver deployable capabilities faster and more efficiently.
  - ▶ **Link EU digital funding to performance-based milestones:** Tie the disbursement of EU funds to the achievement of clear and transparent Key Performance Indicators.
- Lessons from the Recovery and Resilience Facility show that vague performance criteria dilute impact.<sup>10</sup> EU funding must address concrete needs and be aligned with EU strategic objectives.
- ▶ **Expand and coordinate tax incentives for private tech investment:** Better coordinate tax incentives across Member States to encourage cross-border R&I and technological deployment. Coordinated EU-wide tax incentives would help bridge the commercialisation gap. For this, we propose super-depreciation: a targeted, time-limited 150 per cent depreciation rate on investments to deploy critical technologies across the EU over the coming five years. In addition, resources stemming from the taxation of multinational companies under the Pillar II Directive should be used to stimulate cross-border investments supporting the development and deployment of critical technologies, particularly those advancing resilience, sustainability and competitiveness.
  - ▶ **Avoid introducing new financial burdens** that would raise the cost of capital or add administrative complexity. For example, this includes the proposed EU-level levies on e-waste and the Corporate Resource for Europe (CORE), which threaten to increase costs and bureaucracy and risk weakening Europe's competitiveness at the precise moment where we are trying to boost it. The EU needs to prioritise coordinated incentives instead.<sup>11</sup>

<sup>9</sup> See DIGITALEUROPE, *Executive Brief: Boosting European Digital Defence Innovation*, available at <https://cdn.digitaleurope.org/uploads/2025/02/DIGITALEUROPE-THE-EXECUTIVE-BRIEF-FINAL-WEB.pdf>.

<sup>10</sup> European Court of Auditors Special report 13/2025, available at: [Special report 13/2025: Support from the Recovery and Resilience Facility for the digital transition in EU member states | European Court of Auditors](https://ec.europa.eu/economy_finance/sites/default/files/2025-02/13_2025_Special_Report_The_Recovery_and_Resilience_Facility_for_the_digital_transition_in_EU_member_states.pdf)

<sup>11</sup> See DIGITALEUROPE et al., *Joint Letter on Proposed Unitary Own Resource on Non-Collected E-Waste*, available at: [Joint-letter-on-e-waste-own-resource-proposal.pdf](https://cdn.digitaleurope.org/uploads/2025/02/Joint-Letter-on-e-waste-own-resource-proposal.pdf)

# Create demand and speed up market deployment

- ▶ **Move to harmonised, coordinated or joint EU procurement:** Aggregate demand at the EU level through coordinated procurement of key technologies like quantum, AI, drones and green tech. Design procurement criteria that prioritise interoperability and resilience, especially in the areas of defence, connectivity and energy infrastructure. Quick actions to create demand and counteract risk-averse public procurement is essential to stop promising tech companies from leaving Europe.
- ▶ **Scale technological strengths and close gaps:** Channel financial support and apply the proposed 'EU Tech frontrunner + SME supplier' model under the Competitiveness Fund not only to overcome Europe's weaknesses, but also to build on Europe's technological strengths. Frontrunners should also be drawn from areas where Europe already leads (like advanced connectivity, space-based infrastructure, autonomous systems, next-generation energy and industrial technology). Focusing only on catch-up sectors risks eroding Europe's strengths.
- ▶ **Launch vertical European industry alliances as platforms for co-innovation and anchor demand:** Stimulating demand is key to encourage investments into critical technologies like semiconductors, quantum and AI.

To this end, the Commission should support the creation of vertical consortia that, for example, bring together the semiconductor ecosystem with key downstream sectors – particularly automotive, energy/renewables, defence and connectivity. Each alliance should be designed to link R&I excellence with end-user requirements, and manufacturing capacity with demand. This would ensure strong innovation ecosystems across the value chain and stable market pull for new technologies developed in Europe.

- ▶ **Leverage Europe's strength in tech convergence:** The EU's world-class research ecosystem gives it a unique edge in harnessing the convergence of advanced technologies. By identifying and commercialising innovations that arise at the intersection of fields such as AI and quantum computing, or advanced materials and robotics, Europe can unlock value and competitive advantages. Integrating different technologies plays to Europe's strengths and can yield transformative solutions – in healthcare, energy, security and manufacturing – that exceed the potential of any single domain. To realise this opportunity, the EU should prioritise cross-disciplinary R&D funding, strengthen cross-sectoral collaborations and financially support deep-tech ventures that emerge from these intersections.



# Improve framework conditions for long-term competitiveness

- ▶ **Establish a European Business Code:** Introduce a voluntary 28<sup>th</sup> regime to provide a streamlined regulatory environment that allows innovative companies to scale across Europe without navigating 27+ different national systems. This is especially relevant for harmonising corporate law and insolvency regimes, which would ease scaling up across the Single Market and provide greater certainty for investors.<sup>12</sup>
- ▶ **Improve talent mobility:** Launch a Tech Talent Pact to improve mobility for skilled workers through fast-track visa schemes, recognition of qualifications and simplified cross-border employment frameworks.<sup>13</sup> This could be modelled on successful national schemes like Denmark's Specialist-ordning. Speed up Member States' actions in implementing the Blue Carpet initiative, add a complementary talent attraction package for visas, and work with Member States on convergence of tax and social security rules for cross-border remote work.
- ▶ **Scale AI and critical technology skills programmes:** Increase support for universities and lifelong learning centres with flexible funding for both students and working professionals to offer teaching in skills for critical technologies. Develop EU-wide AI and critical technology credentials, recognised by employers and institutions across the continent, to facilitate the seamless portability of skills across the Single Market.
- ▶ **Boost talent attraction and retention:** Make Europe more attractive by coordinating employee tax treatment at the EU level and moving towards greater convergence of employee equity options schemes and startup-friendly tax regimes across the EU. More attractive employment conditions are key to help European scale-ups compete globally for top tech talent.
- ▶ **Apply EU competition rules strategically:** Ensure enforcement supports the scale-up of European players in critical tech sectors, especially where global competition, maturity of technologies, innovation dynamics and first-mover advantages matter more than short-term market concentrations.
- ▶ **Intensify cooperation with like-minded partners:** Fully include trusted partners such as Ukraine, Moldova, Switzerland and the UK in EU funding programmes for digital, dual-use and security-critical technologies. Reform the Global Gateway with clear KPIs and measure success by the number of digitalising companies that win contracts abroad.
- ▶ **Establishing a European Tech Diplomacy:** Office to ensure Europe's strategic technology interests are well represented both internally and externally, covering international partnerships on trade, digital, innovation, standards, research and supply chains. Collaborate on the development and deployment of critical tech with key allies, e.g., by creating an EU-US Critical and Dual-Use Technology Council. Work with G7 countries to develop an interoperable, risk-based and consensus-driven approach to AI governance.
- ▶ **Ensure international standards are aligned with European interests:** In most cases, including on artificial intelligence and cybersecurity, existing international standards can meet regulatory needs. Rather than creating parallel systems, the EU should focus on streamlining its standardisation processes to enable faster, more efficient development and citation of harmonised standards. The Commission's proposal in Omnibus IV to introduce common specifications risks undermining Europe's ambition to lead globally in standard-setting.<sup>14</sup>

<sup>12</sup> See DIGITALEUROPE, *The 28th regime: Unlocking growth with European rules*, available at: [The 28th regime: Unlocking growth with European rules - DIGITALEUROPE](#).

<sup>13</sup> See DIGITALEUROPE, *Closing the talent gap: Priorities for Europe's skills agenda*, available at: [Closing the talent gap: Priorities for Europe's skills agenda - DIGITALEUROPE](#).

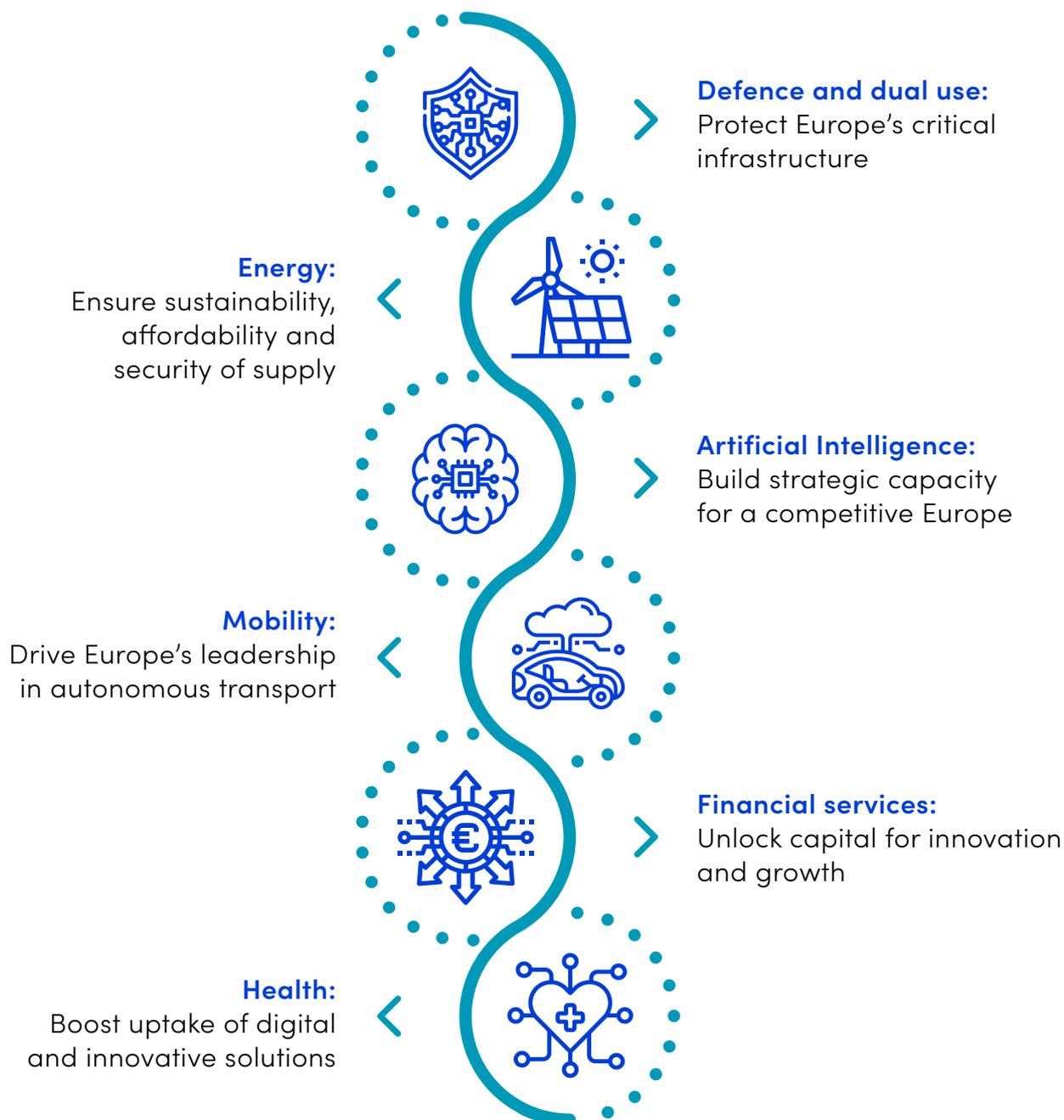
<sup>14</sup> See DIGITALEUROPE, *Less paper, more standards: The case for digitalisation and for repairing, not replacing, Europe's standardisation system*, available at: [Less paper, more standards: The case for digitalisation and for repairing, not replacing, Europe's standardisation system - DIGITALEUROPE](#).

# Sectoral recommendations



Europe needs a plan for leadership in critical technologies. The following sections explain how DIGITALEUROPE's recommendations can be applied across strategic sectors – and where EU action and money can have the greatest impact.

The European Commission has set the right direction: cutting red tape, driving scalable investments and modernising procurement. But time is running out. We need to act decisively and quickly to win the tech race.



These recommendations are underpinned by project ideas across these sectors, inspired by **DIGITALEUROPE's AI and Critical Tech Declaration** launched on 10 September in Strasbourg.<sup>15</sup>

<sup>15</sup> Available at <https://www.digitaleurope.org/european-ai-and-tech-declaration-page/>.



# Defence and dual-use: Protect Europe's critical infrastructure

**Picture a Europe where critical infrastructure is no longer the weakest link, but a resilient shield against tomorrow's threats. Our energy grids, hospitals and other vital systems are protected by technologies built and maintained by trusted European and allied actors. AI anticipates emerging risks. Advanced cybersecurity measures stop disruptions. Quantum-safe communications ensure secure operations even in times of crisis. Autonomous systems stand guard.**

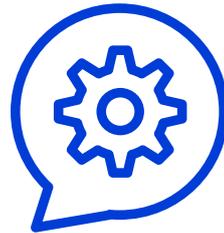
The European Commission and Member States' recent announcements to boost spending on defence and security are an important first step to enhance Europe resilience, defence capabilities and operational readiness. Building on this momentum, DIGITALEUROPE's Copenhagen Project translates this ambition into action. The Copenhagen Project calls for the rapid mobilisation of unspent or reallocated EU funds under the current MFF, while preparing a dedicated funding envelope under the next MFF, to deploy trusted dual-use technologies for the protection of critical infrastructure. It calls for aligning funding instruments such as the Connecting Europe Facility, the European Defence Fund and the European Investment Bank's TechEU initiative to accelerate cross-border pilot deployments.

By linking innovation, funding and procurement, the Copenhagen Project provides a pragmatic framework to transform Europe's technological strengths into operational resilience, ensuring that digital innovation directly reinforces Europe's capacity to deter and respond to hybrid threats.

This aligns with the forthcoming EU Defence Readiness Roadmap 2030, which prioritises pan-European flagship projects and the protection of critical infrastructure as core elements of Europe's readiness. Both initiatives share the same objectives: joint investment, industrial cooperation and the rapid deployment of dual-use technologies that enhance Europe's strategic autonomy and resilience.

The result? European companies are empowered to innovate, scale and deploy protective systems across the continent. The EU fully leverages its budget, expanding access to key funding programmes for defence and dual-use technologies. Interoperability becomes the norm. Europe is protected not just by tanks and artillery, but by software, sensors, autonomous systems and secure networks – a smart second line of defence ready for today's complex threats. Together, these technologies fortify Europe's infrastructure, keeping it strong, secure and sovereign.





## Key recommendations:

- ▶ **Urgently use remaining funds under the current MFF to boost EU-level initiatives for protecting critical infrastructure.** Europe's security cannot wait for the next MFF. Existing funding streams, including Horizon, should be opened and aligned with mission-based challenges to strengthen resilience now.
- ▶ **By 2028, cut defence procurement timelines by half.** By harmonising and digitalising procurement across Member States can contribute to accelerating delivery of urgently needed capabilities. Critical technologies need to be delivered within 12–24 months. To support this, long-term, multi-year procurement contracts should be established that provide the industry with the predictability and scale needed to invest in innovation and production capacity.
- ▶ **By 2028, reform the EU public procurement framework.** Improve coherence between civil and defence procurement regimes, streamline procedures and reduce fragmentation to enable the joint acquisition of defence, dual-use and critical infrastructure technologies. This should be accompanied by a clear and operational definition of digital dual-use technologies to ensure legal certainty, support consistent implementation and prevent regulatory overlap.
- ▶ **By 2030, allocate 25 per cent of EU and Member States' new defence expenditure to digital, emerging and dual-use technologies to enhance operational readiness and resilience.**
- ▶ **By 2030, launch three joint, large-scale defence and dual-use technology procurement projects.** These should be aligned with commercial innovation cycles (18–24 months) to prioritise investment in technologies that secure both digital and physical infrastructure against hybrid threats. The projects should prioritise technologies such as AI-powered cybersecurity, secure connectivity, autonomous systems, quantum-safe communications and counter-drone solutions.
- ▶ **By 2030, fully implement a pan-European investment programme for the protection of critical infrastructure.** The programme should be anchored in the next MFF and build on joint EU and national investments to fund coordinated deployments of resilient critical infrastructure across Member States. It should leverage blended financing, including EU grants, loans and private-sector contributions to transform Europe's technological leadership into operational resilience and digital defence capabilities.
- ▶ **By 2030, establish a dedicated EU certification scheme for dual-use technologies.** Achieve 80 per cent adoption across Member States and alignment with NATO, the US and Ukraine interoperability and security standards. Close EU–US collaboration will be key to achieving full interoperability and resilience in defending critical infrastructure. As the threats we face become increasingly hybrid and transnational, working with trusted allies, including through NATO and establishing an EU–US critical and dual-use technology council would be key to scaling secure, dual-use digital technologies.

# Project: The Copenhagen Project



Europe's critical infrastructure, spanning energy grids, healthcare systems, transport networks and digital services, is increasingly under threat from sophisticated cyberattacks and hybrid operations. Between July 2023 to June 2024, the EU faced over 11.000 cyberattacks, nearly 7 incidents every day. Drones have become a frequent sight over EU critical infrastructure.

Inspired by Denmark's successful model, initially designed to speed up weapons deliveries to Ukraine, the Copenhagen Project extends this proven approach to the protection of Europe's critical infrastructure across all sectors.

Despite these growing challenges, the EU lacks a unified investment framework to scale and deploy advanced cybersecurity and digital defence technologies such as AI-driven threat detection, autonomous drones, secure connectivity (5G/6G), satellite monitoring, digital twins, radars, jammers and cloud/edge platforms across Member States. This fragmentation hampers operational resilience. To protect our critical infrastructure and reduce Europe's dependency on foreign technologies and services, we urgently need a secure, dual-use digital infrastructure backbone across Europe.

## Goals:

- ▶ Launch an EU-wide investment programme to scale dual-use digital defence technologies across energy, water, transport, healthcare and data infrastructure.
- ▶ Pilot real-world applications of advanced technologies (i.e. anti-drone systems, secure AI communications, threat detection platforms) under battlefield-informed and stress-tested conditions.
- ▶ Introduce an EU 'anchor customer' mechanism to guarantee early demand and lower market entry risk for innovators and SMEs.
- ▶ Build on the Copenhagen Project as a flagship framework for coordinated EU and national investment, providing the shared digital backbone for initiatives such as the European Drone Wall, Eastern Flank Watch and Air Defence Shield, in full alignment with the EU's Defence Readiness Roadmap 2030.

## KPIs by 2030:

- ▶ Total volume of joint public-private investment mobilised across Member States for digital infrastructure resilience.
- ▶ Number of critical infrastructure sites equipped with interoperable, dual-use digital defence technologies.

## ROIs by 2030:

- ▶ Cost savings from avoided downtime, service disruption or damage to infrastructure due to improved digital threat response.
- ▶ Increase in the procurement volume and commercialisation of EU-developed infrastructure protection technologies within the civilian and defence market.
- ▶ Contribution to the EU Defence Readiness Roadmap 2030 objectives on flagship projects and capability deployment for critical infrastructure protection.





# Energy:

Ensure sustainability, affordability  
and security of supply



**Imagine a Europe where green energy is abundant, electrification widespread, grid infrastructure digitalised and resilient. Where the EU's competitiveness, energy security and climate goals are no longer competing priorities but mutually reinforcing pillars of a thriving, net-zero economy.**

To achieve this, the EU must take bold steps to align industrial and climate policies, significantly expand investments and accelerate the deployment of critical technologies. Urgent action is needed because high energy costs are undermining the EU's competitiveness, especially in Europe's most energy-intensive sectors including chemicals, steel, transport and semiconductors.

Digitalisation and sustainability are the only way to secure reliable energy supplies and lower energy costs for the European economy and address the climate crisis. But this future requires massive investments in renewable power generation, smart electricity grids and advanced energy storage solutions. The Draghi report estimates that achieving the EU 2030 climate target will demand an additional €300 billion in energy-system investment every year.<sup>16</sup>

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<sup>16</sup> Mario Draghi (2024). *The future of European competitiveness: Report prepared for the European Commission*



## Key recommendations:

- ▶ **Update network tariff rules to treat investments into digital technologies like investments into physical infrastructure.** Grid operators are currently only incentivised to undertake capital expenditure (CapEx). By contrast, operational expenditure (OpEx) like software-as-a-service or cloud-based solutions cannot be similarly recovered or receive funding support. EU network tariff guidelines must correct this imbalance by embracing a total expenditure (ToTEx) model to unlocking investments into smart and resilient grid infrastructure.
- ▶ **Digitalise and speed up grid permitting processes.** Extend the one-year permitting acceleration measures introduced in the revised Renewable Energy Directive III to grid infrastructure, including grid enhancing technologies and innovative networks. The approval of grid connections can take up to nine years in some Member States. Permits should be processed within six months in designated 'electrification acceleration zones' and within 12 months elsewhere. Member States should be encouraged to establish digital one-stop permitting portals and harmonise environmental screening.
- ▶ **Set up clear grid connection queues:** These should be based on objective criteria like project maturity, relevance and added value to the grid instead of using the slower first-come, first-serve model across all Member States.
- ▶ **By 2028, harmonise public procurement criteria to accelerate the adoption of digital technologies with significant decarbonisation potential** like digital twins for infrastructure optimisation, AI-supported energy management systems and industrial data spaces that enable smarter, more efficient resource use.
- ▶ **By 2030, ensure that at least 85 per cent of EU companies deploy digital technologies that measurably reduce their environmental footprint.** Launch sector-specific Digital Climate Action Plans for Europe's most energy-intensive industries with clear KPIs and financing roadmaps.
- ▶ **By 2030, achieve a target of 32 per cent electrification as indicated in the Clean Industrial Deal.** Translate this target into binding national and sectoral targets and prioritise cost-efficient electrification technologies in EU funds and the Industrial Decarbonisation Bank. Use coordinated tax incentives and targeted subsidies to incentivise cleantech manufacturers and grid operators to build the critical energy infrastructure needed including solar and wind, smart grids and meters, energy storage, heating and cooling technologies, high-voltage power lines and alternative energy carriers like hydrogen.

# Project: European Grid Productivity and Digitalisation Programme



High energy costs reduce European competitiveness. About 40 per cent of Europe's electricity grids are over 40 years old. Large clean energy projects are stuck for years waiting to connect. In 2024 alone, €7.2 billion worth of green electricity was wasted just in seven EU countries because the grid did not have the capacity to carry the power. Without adequate grid infrastructure, Europe's energy security is at risk, exposing citizens and businesses to energy shocks, price spikes and delays in the clean energy transition.

The fastest, most cost-effective solution is not just building new cables, it is digitalising the grid. Smart upgrades can cut connection delays, unlock grid capacity and reduce energy waste. The EU estimates that €20 billion per year is needed until 2030 just for digital upgrades.

## Goals:

- ▶ Introduce a simple EU-wide grid productivity metric to increase transparency on grid performance and the potential benefits of digitalisation. This would require the recognition of digital OpEx as critical costs to recover by regulators.
- ▶ Roll out smart hardware and sensors across grids to build the digital infrastructure/backbone needed to spot problems early and ease pressure points.
- ▶ Deploy AI and use data infrastructure to forecast energy use and supply, improving efficiency and reliability.

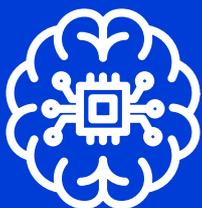
## KPIs by 2030:

- ▶ Shorter grid connection times for new wind, solar and industrial projects.
- ▶ Most national regulators using the total expenditure (ToTEx) approach, allowing both physical and digital investments to count.

## ROIs by 2030:

- ▶ Reduction of the number of bottlenecks and reduction of the share of wasted green energy stuck waiting to enter the grid.
- ▶ Increase of the share of private investment, delivering better value for taxpayers.
- ▶ Realising a digitally upgraded grid that supports clean energy, powers industry and strengthens Europe's energy security.





# Artificial Intelligence:

Build strategic capacity  
for a competitive Europe



**Imagine a Europe where our greatest export is not AI regulation but AI-powered transformation. A Europe where firms employ smart tools to boost productivity and reduce material waste. Where doctors use AI to detect diseases early. Where cities deploy intelligent systems to manage traffic.**

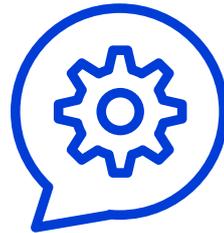
In this future, thanks to strategic EU action, AI capabilities are no longer a series of isolated projects but an integral part of Europe's digital backbone. Across Europe, coordinated incentives and targeted EU investments enable companies of all sizes and public administrations at every level to leverage advanced AI capabilities.

European companies develop AI solutions and hire global AI talent. Data-sharing frameworks fuel AI development without compromising privacy, security or trade secrets. Regulatory sandboxes allow innovators to test cutting-edge AI systems in a safe way, without red tape.

Europe's challenge is not the scarcity of data for AI development. The primary problem is the low use of this data and related AI applications in European industries. AI adoption progress among EU businesses is alarmingly slow.<sup>17</sup> The role of the Commission and of Member States should be to create an operating environment that supports companies developing data-driven and AI-powered businesses, and to encourage quick diffusion and uptake of these innovations across the economy and administration.

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<sup>17</sup> Only 13.5 per cent of companies in the EU use AI, according to the 2025 Digital Decade report. The EU's target is 75 per cent by 2030. Data available at: [https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Use\\_of\\_artificial\\_intelligence\\_in\\_enterprises](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Use_of_artificial_intelligence_in_enterprises)



## Key recommendations:

► **By 2026, with an ambitious digital simplification package, streamline the existing rulebook, including the AI Act and the Data Act.** Ensure clear and predictable rules and standards that foster private investment in Europe. DIGITALEUROPE has made detailed recommendations for the digital omnibus.<sup>18</sup>

► **By 2026, implement major fiscal and administrative incentives for AI investments:** Accelerate the deployment and scaling across Europe of AI (giga)factories, regulatory sandboxes for AI-powered services, innovation hubs for sector-specific AI solutions and real-world AI applications. All of these should be supported by dedicated EU funding, simplified permitting, targeted tax incentives, a more flexible EU state aid approach and large-scale public-private partnerships.

► **By 2027, establish a European joint procurement framework for AI:** Bring together public administrations and industry to facilitate at least 10 major cross-border projects in key sectors involving at least 20 Member States and prioritise trusted AI solutions.

► **By 2027, empower industry-led national and regional AI networks** such as AI Finland, AI Sweden and the Nordic-Baltic AI Centre that foster collaboration, peer learning and cross-domain knowledge exchange among companies and public authorities.

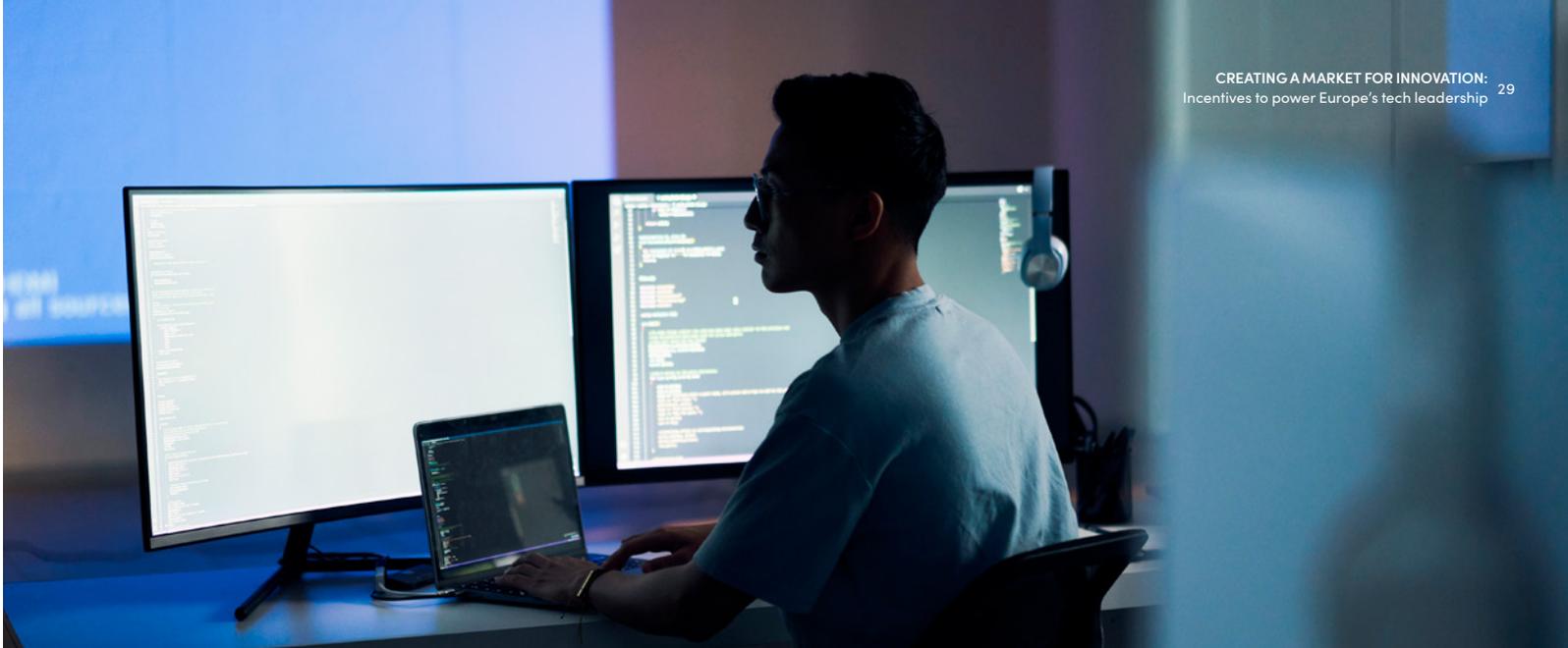
Establish an AI Network Support Fund to co-finance the creation and growth of national and regional AI networks. Provide additional financial incentives for networks demonstrating significant impact in driving AI adoption and fostering innovation, especially in sectors governed by the AI Act. Develop an EU AI Network Hub with AI Factories as key contributors, to connect AI networks, facilitating cross-border collaboration and sharing of best practices, AI case studies and practical resources.

► **By 2028, build a robust AI skills pipeline:** Based on an assessment of AI talent needs, work with Member States to ensure that each European university offers at least one AI-oriented education programme to address the current skills shortage. This could range from the development of AI models and infrastructure to AI safety, deployment for use in STEM, public administration and the humanities. Facilitate reskilling of impacted or displaced workers via dedicated trainings that offer harmonised credentials and coordinated support frameworks across Member States. Introduce a dedicated EU Tech Talent Visa to streamline and speed up entry for experts and scientists in key fields like AI, cybersecurity and semiconductors.

► **By 2028, launch a programme dedicated to promoting AI-powered regulatory technology (RegTech) to reduce administrative and reporting burdens generated by EU legislation:**

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<sup>18</sup> See DIGITALEUROPE, Executive Brief: Removing regulatory burden for a more competitive and resilient Europe, available at <https://www.digitaleurope.org/resources/executive-brief-removing-regulatory-burden-for-a-more-competitive-and-resilient-europe/>.



Support the development of RegTech tools and services to simplify compliance with digital and other EU regulations. Create a RegTech Innovation Platform to unite users, regulators and RegTech companies. Ensure that RegTech solutions are accessible to companies and authorities through European Digital Innovation Hubs, trade associations, regulatory sandboxes, official digital and data coordinators, and other relevant networks and channels.

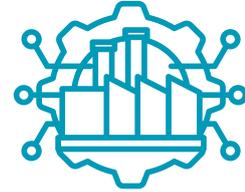
- ▶ **For 2028–2034, allocate €5 billion per year to EU-level investments in AI deployment:** In the next Multi-annual Financial Framework, dedicate funding to boost the use of AI for industrial applications, medical devices, cybersecurity and the protection of critical infrastructure. By 2030, use public guarantees and blended financing to unlock at least €100 billion in private capital for European AI scaleups and create a seamless path for founders to scale their innovative AI solutions rapidly.
- ▶ **By 2030, apply AI across public administration:** Work with Member States to identify lighthouse projects and best practices that can be scaled across the EU to ensure that at least 75 per cent of public administrations across Member States adopt AI-based solutions to speed up routine processes and improve service delivery.

- ▶ **By 2030, reach at least 15 per cent of global AI computational power.** Currently, the EU holds just 4.8 per cent of global AI supercomputer performance compared to 74.4 per cent for the United States and 14.1 per cent for China<sup>19</sup> – a gap that threatens the EU's competitiveness, security and global influence. To catch up, the EU should deploy 27 AI factories spread across each EU Member State and 5 pan-European AI gigafactories, with the aim to expand EU compute power relative to the projected increase of global compute power for AI. Investments in such AI gigafactories should be aligned with clearly identified needs from industry and research. A clear strategic goal – for instance, supporting an open European LLM – should underpin any expansion. Priority access for industry and R&I with market applications needs to be ensured to support Europe's most innovative companies.
- ▶ **By 2030, establish at least 20 fully operational sectoral EU public data hubs** across Member States and key sectors. These hubs will provide AI innovators with seamless, real-time access to all government-owned open data,<sup>20</sup> covering data from at least 70 per cent of national and regional authorities per sector. Each hub should be aligned with common interoperability standards, achieving at least a 60 per cent usage rate by developers of priority AI use cases in key sectors.

<sup>19</sup> Trends in AI Supercomputers | Epoch AI, available at: <https://epoch.ai/blog/trends-in-ai-supercomputers>

<sup>20</sup> The hubs should encompass existing fragmented structures under the Open Data Directive and Data Governance Act, and leverage all open and government-owned data, including from local, regional and EU authorities, as well as data from commons repositories, including public domain.

## Project: EU Public AI Accelerator



AI has a great potential to transform public services by improving service delivery, boosting efficiency and making governments active drivers of digital innovation. Yet, only 38 per cent of AI use cases in the European public sector have reached the implementation phase. Many Member States lack the resources, skills, or infrastructure to scale the adoption of trustworthy AI in the public sector.

To close this gap, Europe needs a dedicated funding support to help every Member State scale trustworthy AI and turn promising pilots into everyday public-service tools.

### Goals:

- ▶ Launch dedicated EU funding to support Member States in deploying AI tools across sectors such as health, justice, transport, energy and taxation.
- ▶ Fund AI adoption in public services, from chatbots, smart tax filing and virtual health assistants to back-office fraud detection, predictive planning, and automated claims processing, across health, justice, transport, energy, and taxation.
- ▶ Fund staff upskilling and access to secure cloud infrastructure under a common AI framework with regulatory sandboxes, sector data spaces, under transparent audit metrics.

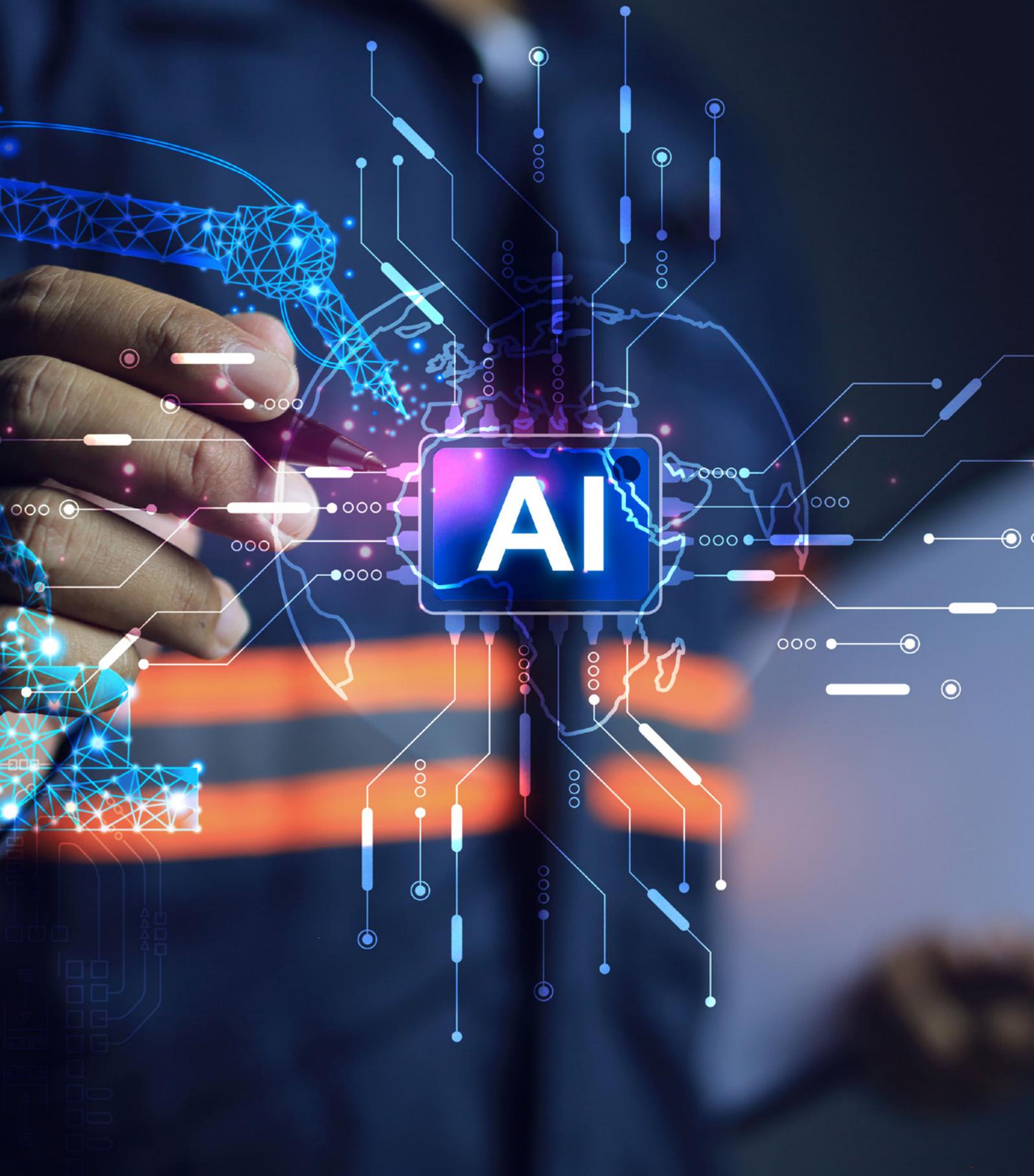
### KPIs by 2030:

- ▶ At least 75 per cent of public administrations across Member States using AI tools in service delivery or internal operations, within existing organisational capacities.
- ▶ Number of cross-border AI applications or procurement frameworks adopted by national and local administrations.

### ROIs by 2030:

- ▶ Billion euros in operational cost savings through automation and improved resource allocation in public services.
- ▶ Increase in user satisfaction and service accessibility driven by AI-enhanced public administration.







# Mobility:

Drive Europe's leadership  
in autonomous transport

**Picture a Europe where sustainable mobility solutions span the entire EU – where vehicles navigate autonomously from city to city and innovation moves as freely as the people it serves. By streamlining fragmented rules and investing in intelligent mobility infrastructure, Europe can lead the world in safe, connected transport.**

Europe has the industrial base to lead in autonomous mobility, but fragmented rules are slowing deployment and limiting market uptake. This means European manufacturers are falling behind their global competition because they face burdensome rules, inconsistent permitting, limited vehicle approvals and barriers to scaling services across borders. This regulatory complexity increases costs, delays innovation and discourages investment in Europe.

Urgent action is needed to accelerate adoption of automated vehicles and advanced driver-assistance systems. To accomplish this, the Commission and Member State governments must shift from pilot projects to enabling full-scale deployment. Targeted action is key for Europe to drive faster uptake of these technologies, boost competitiveness and position the EU as a global hub for next-generation mobility.





## Key recommendations:

▶ **Allow permits for pre-deployment testing of automated vehicles (AVs) issued in one EU country to be valid across all Member States:**

This harmonisation is key to speed up cross-border trials, especially in areas like logistics. Road accidents still claim over 20,000 lives annually in the EU. Advanced driver-assistance and autonomous systems are critical to saving lives and securing Europe's leadership in next-generation mobility. Where appropriate, the Commission should consider new legislation to enable fully interoperable European testing authorisations.

▶ **Urgently meet the 2025 deadline to allow unlimited production of vehicles with automated parking systems** as promised in the EU Automotive Action Plan. Today, companies can only get approval to put up to 1,500 vehicles of each model on the road per year. By 2026, fully implement all other use cases under Commission Delegated Regulation (EU) 2022/2236, such as hub-to-hub freight transport.

▶ **Establish mutual recognition of AV passenger service licenses across the EU:** Today, companies face a fragmented patchwork of national rules when launching AVs passenger services, limiting cross-border scalability and discouraging innovation. The Commission should work towards a framework for mutual recognition of AV passenger service authorisations and consider setting up a dedicated task force to coordinate Member State efforts.

▶ **Launch a pan-EU AV industrial deployment programme:** The Commission should coordinate a flagship investment programme – using the Important Project of Common European Interest (IPCEI) model – focused on deploying AV technologies across national borders. This joint effort should combine physical testbeds, virtual validation and intelligent infrastructure (e.g., vehicle-to-everything systems). It would enable consistent cross-border performance, reduce time-to-certification and lower deployment costs. By supporting first-of-a-kind industrial deployment and linking test roads with AI-powered traffic control and digital twins, the EU can accelerate uptake of autonomous mobility solutions and position Europe as a global launchpad for safe, smart and connected transport.



# Project: EU Autonomous Vehicle Launchpad



Autonomous vehicles could reduce road deaths by up to 90 per cent by eliminating human error, which causes 9 in 10 road fatalities today. Yet, autonomous mobility solutions are held back by fragmentation today in the EU. Vehicle manufacturers must navigate a fragmented patchwork of complex permitting processes to test on public roads. Without sufficient testing on public roads, it is impossible to demonstrate the advantages of connected driving and unlock commercial deployment.

We need a European flagship programme for the first industrial deployment of autonomous mobility technology, besides the vital need for a more harmonised testing framework. This initiative should be a joint effort by Member States to test and roll out self-driving vehicle technologies across national borders. It would ensure that autonomous vehicles work safely and smoothly on all EU roads, not just in one place. All this will translate into accelerated vehicle approvals, lower costs and greater opportunities for Europe's leadership in connected, climate-friendly transport.

## Goals:

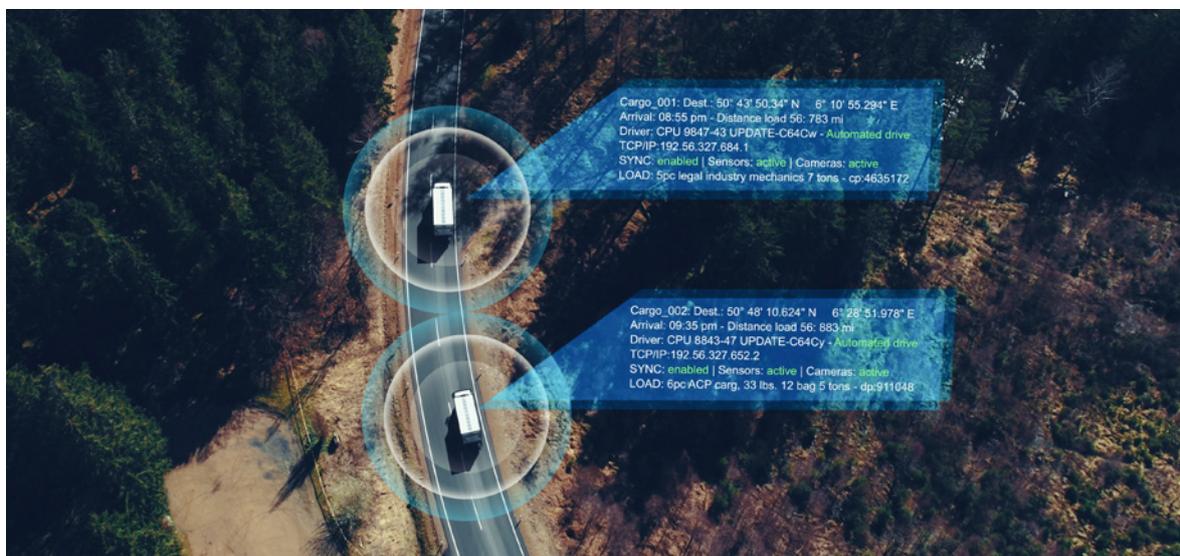
- ▶ Launch an IPCEI project backed by Member States to develop a distributed testbed for clean, connected and autonomous vehicles (CCAVs).
- ▶ Link real-life test roads with virtual simulations, smart traffic control using AI and systems that let cars communicate with roads, signals and other vehicles (i.e. vehicle-to-everything infrastructure).

## KPIs by 2030:

- ▶ Demonstrated reduction in time-to-certification for autonomous vehicles.

## ROIs by 2030:

- ▶ Faster go-to-market for validated autonomous systems, reducing R&D overhead and regulatory delays.
- ▶ New revenue from autonomous features integrated into production vehicles across the EU.





# Financial services:

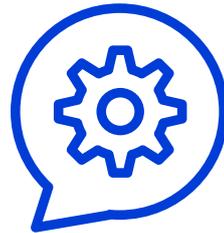
Unlock capital for innovation  
and growth

**Think of a Europe where capital moves as freely as people, goods and services – where entrepreneurs can raise funds in Paris as easily as in Tallinn and pension savings from Helsinki fuel innovation in Lisbon. With a Savings and Investment Union, Europe can unlock its vast pool of private capital to power high-growth companies, strengthen its tech leadership and deliver prosperity for its citizens.**

Capital markets must play a greater role to fuel EU prosperity and security. European households invest €300 billion annually outside Europe. Venture capital fell from 0.09 per cent of EU GDP in 2022 to just 0.05 per cent in 2023. We must press ahead in attracting global capital and mobilising domestic savings to unlock the liquidity needed to fuel Europe's prosperity.

Nearly 30 per cent of European unicorns relocated outside the EU between 2008 and 2021. The upcoming Savings and Investments Union must ensure that all companies – especially SMEs, startups and scaleups – can access competitive financing in Europe.





## Key recommendations:

- ▶ **Accelerate capital market integration and convergence:** Work towards maximum harmonisation of insolvency and tax regimes, reduce fragmentation and allow recent reforms to deliver impact. This includes the Listing Act, the European Single Access Point, the review of the Markets in Financial Instruments Regulation (MiFIR) and the revised European Long-Term Investment Fund Regulation (ELTIF 2.0).<sup>21</sup>
- ▶ **Embrace the use of digital technologies:** Enable innovation-driven growth in capital markets by facilitating the use of distributed ledger technology and AI in market infrastructure and supporting tokenisation. The EU should remove barriers to data transfer and use that hinder the scaling of AI and other digital solutions, promote regulatory sandboxes and avoid new sector-specific rules that would add compliance burdens.
- ▶ **Unlock retail and pension savings:** Create flexible investment products benefitting from coordinated, EU-wide tax incentives. Align these products with the European Investment Bank Group and renew efforts to create a true pan-European personal pension product.
- ▶ **Strengthen equity financing:** Support the development of a deeper, fairer market for listings and venture capital. Improve alignment of public and private funding (e.g., with the European Innovation Council) to help derisk investment in breakthrough technologies. Create a framework for pan-European initial public offerings (IPOs).
- ▶ **Enhance bank financing:** Complete the banking union, review the securitisation framework to improve efficiency and align rules with actual risk. Set clear milestones for the establishment of the European deposit insurance scheme.
- ▶ **Modernise capital market supervision:** Align standards, harnessing technology and gradually advancing towards a single supervisory framework for EU capital markets.
- ▶ **Increase awareness of pension products:** Introduce pension data dashboards and facilitate auto-enrolment in occupational pension schemes. This is key to mobilise private savings for voluntary investment decisions, including into higher-risk investments.
- ▶ **Increase the attractiveness of the European Venture Capital Funds Label (EuVECA) for professional investors:** The 2026 review of the EuVECA regulation is an important opportunity to expand eligible assets to include companies operating in key technology sectors like AI, quantum and cybersecurity.

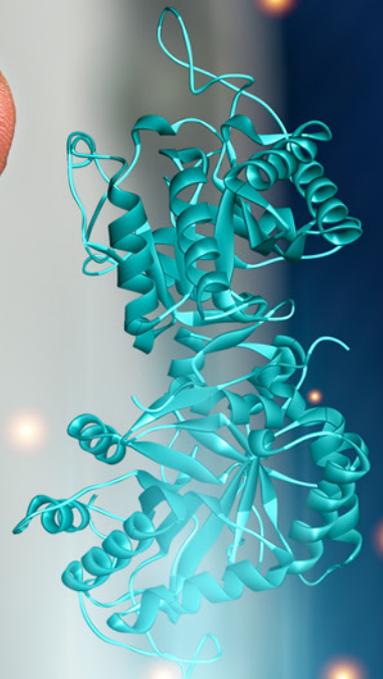
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<sup>21</sup> These reforms comprise multiple legal acts: Regulation (EU) 2024/2809 and Directives (EU) 2024/2810 and 2024/2811; Regulations (EU) 2023/2869 and 2023/2859 and Directive (EU) 2023/2864; Regulation (EU) 2024/791; and Regulation (EU) 2023/606, respectively.





**Health:**  
Boost uptake of digital  
and innovative solutions



**Envision a Europe where every citizen benefits from digitally empowered healthcare system – powered by smart investment in data infrastructure, innovation-friendly procurement and full implementation of the European Health Data Space by 2030.**

To ensure a secure, modern and digitally empowered healthcare system, at least 20 per cent of the EU's healthcare budget in the next Multi-annual Financial Framework (MFF) should be earmarked for digital transformation. This funding should support critical infrastructure for health data use, strengthen cybersecurity in hospitals and establish innovation-friendly procurement pathways for digital health solutions.

Whilst the proposed MFF includes around €22 billion for Health, Biotech, Agriculture and the Bioeconomy under the European Competitiveness Fund (alongside €19.6 billion in Horizon Europe) it remains unclear how much will be allocated to health and its digitalisation. A clear commitment is needed to turn this ambition into a reality.





## Key recommendations:

- ▶ **Support the implementation of the EHDS Regulation, especially by building the infrastructure for primary and secondary use of data:** Member States are currently struggling with the costly implementation of the regulation. The European Commission should play a central role in coordinating and supporting with the right incentives. The EHDS is of vital importance to pool much-needed health data for better care and medical breakthroughs.
- ▶ **Improve the cybersecurity of hospitals and healthcare providers:** In addition to our proposals above on the procurement of dual-use technologies for the protection of critical infrastructure, EU funding should also be allocated to implement the EU Action Plan for the Cybersecurity of Hospitals and Healthcare Providers, leveraging EU-level support for large-scale procurement of digital health solutions and the coordinated phase-out of legacy cybersecurity systems in hospitals and other healthcare facilities.
- ▶ **Establish a clear pathway for procuring innovative health solutions:** Take inspiration from the United States' Biomedical Advanced Research and Development Authority (BARDA) model, which combines R&D support with direct procurement, this approach would bridge the gap between innovation and market uptake. Whilst the EU Health Emergency Preparedness and Response Authority (HERA) coordinates procurement, it currently lacks mechanisms to actively drive innovation adoption in public health.

# Project:

## European Digital Health Investment Fund



Europe is building the European Health Data Space (EHDS), a secure system to share health within and across borders, enabling faster treatment, safer care and better cures.

Member States have set aside €14bn from the EU Recovery and Resilience Fund for digital health. But costs to set up a national, EHDS-ready electronic health-record infrastructure costs range from €0.3bn to €1.4bn per Member State. Even at a low estimate of €0.5 billion per EU country, 27 countries would need €13.5 billion, leaving almost nothing for vital components like strong cybersecurity, interoperability or staff training.

Without urgent investment, Europe risks delays, data gaps and missed opportunities to transform healthcare for its aging citizens. A renewed investment push is key to build the core infrastructure that makes EHDS a reality in every Member State, ensuring health systems are secure, connected and future-proof.

### Goals:

- ▶ Dedicated €4 billion to digital health under the next MFF, with clear targets and milestones. This centralised support is essential to ensure digitally enabled, resilient and interoperable health systems by 2030. It would support the implementation of the EHDS and finance high-impact digital health pilots and large-scale deployment.
- ▶ Set-up of interoperable infrastructure and common EU standards for seamless cross-border exchange of electronic health data, for primary and secondary use.
- ▶ Investment in healthcare practitioner training.

### KPIs by 2030:

- ▶ By 2030: All Member States have the infrastructure in place to meet the requirements of the EHDS framework.
- ▶ By 2030, 100 per cent of EU citizens have access to their electronic health records in an interoperable format.

- ▶ By 2035, the number of data permits issued by Health Data Access Bodies (HDABs), demonstrate that the EHDS is effectively being used by companies to access health data for innovation in the EU.

### ROIs by 2030:

- ▶ More accurate diagnoses and earlier treatment, as doctors use AI tools and shared data to spot health issues sooner.
- ▶ Better cures and research breakthroughs from scientists having access to pseudonymised and anonymised health data across Europe.



# 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.



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