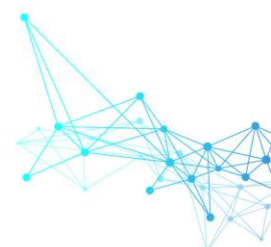


OCTOBER 2026

Towards a competitive and sovereign Europe

- **We support the long-term objective of achieving a larger European share of the European Cloud AI & Technology market**, tripling data centre capacity, joint procurement, fast permits and 25% procurement for SMEs. Success should be measured in competitive terms: best innovation, increased security and resilience, and value creation across European industry.
- **Europe should build more AI and cloud resilience and sovereignty through incentives over restrictions**: EU investment programmes, integrated European capital markets, joint procurement, tax incentives, skills, simplified rules and local content targets. These should crowd in private investment from Europe and beyond, scaling competitive capabilities in areas where Europe can lead.
- **Technology sovereignty means capability, security, control and choice**: building competitive European capabilities, protecting data and systems, maintaining continuity of critical operations, and preserving technology choice through open markets and allied partnerships. Sovereignty criteria should focus on security, cybersecurity, encryption, data governance, infrastructure resilience, and European organisational measures and supply-chain risk, with protection reflecting workload sensitivity. Ownership requirements should not serve as market-access preconditions but remain exceptional, and target only the most sensitive workloads in areas like national security and justice.
- **CADA should set clear guidelines**. Mandatory requirements should be limited to clearly defined highly sensitive workloads in public areas like defence or justice. Not all public sector activities should be in scope by default, and CADA must not be extended to private entities. Changes to levels or scope require impact assessment and consultation. They must be decided via the EU's ordinary legislative process, not delegated acts.
- **A single European framework must apply uniformly across all Member States**, defining highly sensitive workloads consistently. The framework should be simplified, with stronger coherence with other legislation and fewer levels and requirements. National implementation must not create 27 different sovereignty regimes. Implementation should be phased over 5 years to protect investment and service continuity.
- **Europe should remain open and align criteria with allies' sovereignty** frameworks to minimise industry costs, maximise market access, prevent trade barriers and respect WTO rules.





About DIGITALEUROPE

DIGITALEUROPE is the leading trade association representing digitally transforming industries in Europe. We stand for a regulatory and investment environment that enables European digitalising businesses across multiple sectors and citizens to prosper from digital technologies. We wish for Europe to grow, attract and sustain the world's best digital talents, investment and technology companies. Together with our members, we shape industry positions on all relevant policy matters, and contribute to their development and implementation. Our membership represents over 56,000 businesses who operate and invest in Europe. It includes corporations and scaleups who are global leaders in their field of activity, as well as national trade associations from across more than 30 European countries.

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EU Transparency Register: 64270747023-20

