



Council of the European Union
General Secretariat

Brussels, 25 July 2025

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LIMITE

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CONTRIBUTION

| | |
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| From: | General Secretariat of the Council |
| To: | Delegations |
| Subject: | Draft Council Conclusions on European Competitiveness in the digital decade (ST 11033/25) - HU comments |

Delegations will find in the annex the HU comments on the Draft Council Conclusions on European Competitiveness in the digital decade (ST 11033/25) .

Draft Council Conclusions on European Competitiveness in the digital decade

Deadline: *25 July 2025*

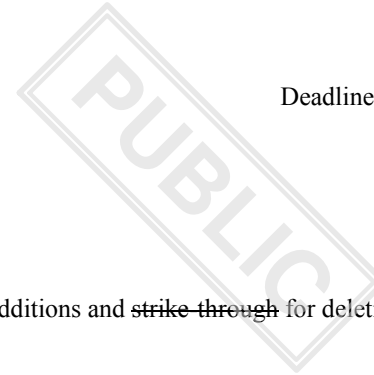
Guidelines to be followed

Please kindly provide your contributions in the table below.

Drafting suggestions: you may use '**track changes**' or formatting (for example **bold-underline** for additions and ~~strike through~~ for deletions, **where necessary, in a different colour**).

Name of document: please add the **two initials** of your delegation's country followed by a space (to the MS Word document name), followed by any optional text, for example, for Austria: **AT comments ondocx**

Thank you for your cooperation!



| Presidency text | Drafting suggestions | Comments |
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| <u>General comments</u> | | <u>Hungary welcomes the Council Conclusions and generally we support it. In addition to the textual comments to the draft, we would also like to share some general observations with the Presidency for your kind consideration. Digital skills are an area that is significantly lagging behind the DDPP goal. Ensuring adequate digital skills and expertise is particularly important for the development of</u> |

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| | | <p><u>other strategic areas, and we therefore believe that the Council conclusions should also address this issue, with special regard to increasing the involvement of women in ICT professions.</u></p> <p><u>Regarding the review of the DDPP, we consider it important to highlight that at the setting of the digital goals may also require a review of measurement methodologies.</u></p> <p><u>Furthermore, as a general observation, we consider it important to raise the issue that the effects of digitalization development on social and human capabilities require special and continuous attention. In our view, a digitalization strategy document should emphasize that these impacts must be continuously researched and monitored, and a strategy developed to address potential consequences.</u></p> |
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| <u>ANNEX</u> | | |
| | | |

Draft Council Conclusions on European Competitiveness in the digital decadeDeadline: *25 July 2025*

| Presidency text | Drafting suggestions | Comments |
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| DRAFT COUNCIL CONCLUSIONS | | |
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| EUROPEAN COMPETITIVENESS IN THE DIGITAL DECADE | | |
| | | |
| THE COUNCIL OF THE EUROPEAN UNION, | | |
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| RECALLING | | |
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| – The Decision of the European Parliament and of the Council of 14 December 2022 establishing the Digital Decade Policy Programme, | | |
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| – The European Economic Security Strategy of 20 June 2023, | | |
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| – The European Council Conclusions of 18 April 2024, | | |

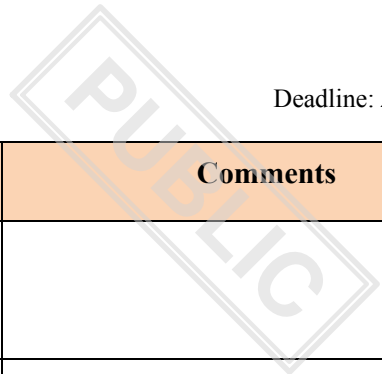
Draft Council Conclusions on European Competitiveness in the digital decadeDeadline: *25 July 2025*

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|--|-----------------------------|-----------------|
| – The Council Conclusions of 24 May 2024 on a competitive European industry driving our green, digital and resilient future, | | |
| – The Niinistö Report “Safer together: A path towards a fully prepared Union”, 20 March 2024, | | |
| – The Letta Report “Much more than a market: Speed, Security, Solidarity”, 17 April 2024, | | |
| – The Draghi Report “The future of European competitiveness”, 9 September 2024, | | |
| – The Competitiveness Compass adopted by the Commission on 29 January 2025 | | |
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Draft Council Conclusions on European Competitiveness in the digital decade

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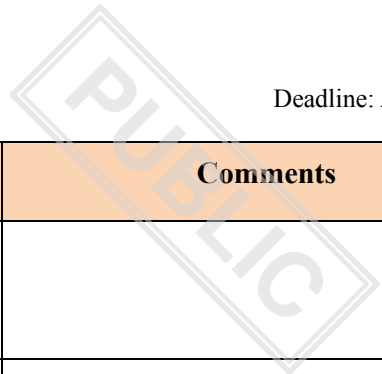
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| – The Joint Communication from the Commission and the High Representative on an International Digital Strategy of 4 June 2025. | | |
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| – The 2025 State of the Digital Decade adopted by the Commission on 16 June 2025 | | |
| | | |
| – [The Communication from the Commission of [XX] 2025 on a Apply AI Strategy | | |
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| – The Communication from the Commission of [XX] 2025 on a Data Union] | | |
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| BUILDING ON | | |
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| – The Council Conclusions of 21 May 2024 on “The Future of EU Digital Policy”, | | |
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Draft Council Conclusions on European Competitiveness in the digital decade

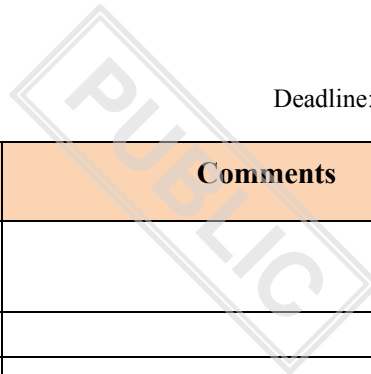
Deadline: *25 July 2025*

| Presidency text | Drafting suggestions | Comments |
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| – The Council Conclusions of 6 December 2024 on the Commission White Paper “How to master Europe’s digital infrastructure needs”, | | |
| – The Council Conclusions of 6 June 2025 on reliable and resilient connectivity, | | |
| – [The Council Conclusions of [20 October] 2025 on Advancing an International Digital Strategy.] | | |
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| Strengthening European Competitiveness with the Digital Decade as a strategic compass for a sovereign digital transformation | | |
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| 1. STRESSES that strengthening the EU’s digital competitiveness is a core strategic objective, critical to fostering innovation, | | |

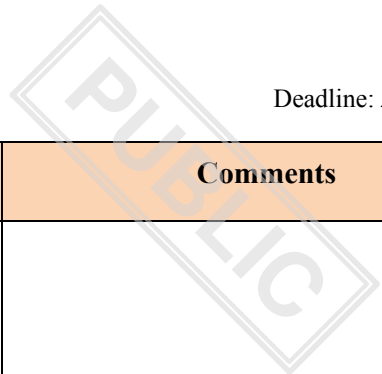


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| productivity, welfare and sustainable growth across the EU. | | |
| 2. NOTES with concern that the <i>2025 State of the Digital Decade</i> report and country assessments indicate that the EU is not on track to meet its 2030 targets, particularly in areas vital to digital competitiveness such as AI uptake and SME digitalisation. STRESSES the need for accelerated efforts at both EU and national level to address this shortfall. | | |
| 3. REITERATES that the Digital Decade Policy Programme (DDPP) serves as the EU's strategic compass for navigating the digital transformation and building long-term digital competitiveness and sovereignty. | | |
| 4. UNDERLINES the importance of maintaining the DDPP's ambition and coherence, while updating it in a targeted and | | |

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| evidence-based manner to ensure its continued relevance. | | |
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| 5. Looking ahead to the upcoming 2026 review of the DDPP, RECOMMENDS that the Commission seizes this opportunity to reinforce, in cooperation with Member States, the EU's digital competitiveness, sovereignty and economic security. | | |
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| Digitalisation and AI as key drivers for competitiveness | | |
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| 6. EMPHASISES the central role that the development and uptake of digital technologies play in enhancing the EU's competitiveness and sovereignty, and STRESSES the urgent need to strengthen the EU's capacity to develop, adopt and govern such technologies and their underlying infrastructure. | | |
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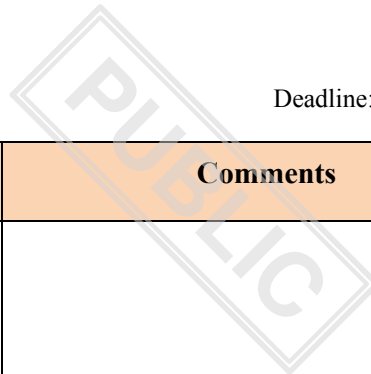
| Presidency text | Drafting suggestions | Comments |
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| 7. RECOGNISES the importance of building on the EU's competitive strengths and the digital single market as the foundation for accelerating digital development and uptake. | | |
| 8. WELCOMES the Commission's AI Continent Action Plan as a major roadmap for the EU's AI leadership and REITERATES the commitment of the Commission and the Member States to jointly foster the European AI innovation ecosystem and ensure a regulatory framework that supports innovation. | | |
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| Effective, simplified and coordinated digital regulation | | |
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| 9. EMPHASISES the importance of ensuring that digital regulation is simple, clear, proportionate and predictable, in order to reduce | | |



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| unnecessary complexity and compliance costs for businesses, in particular SMEs, while ensuring the protection of consumers and citizens across the single market and beyond. | | |
| 10. [WELCOMES / LOOKS FORWARD TO <i>(depends on the timing)</i>] the Digital Package by the Commission, and its ambition to reduce regulatory burdens and ensure fitness of the EU's digital acquis. COMMITS to allocate its full attention to the Commission's digital simplification proposals in view of delivering swiftly on the shared objective of simplifying regulation for a competitive single market. | | |
| 11. URGES the systematic use of stress-tests of the acquis with a strong focus on competitiveness, simplification and enforcement feasibility. In this context, STRESSES the importance of the Commission's consistent use of Digital Statements, in order to clearly | | |



| Presidency text | Drafting suggestions | Comments |
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| communicate digital implications and support more efficient implementation of new EU legislation. | | |
| 12. EMPHASISES that delivering on the EU's digital ambitions requires the full and coherent implementation and application of newly adopted rules, including through enhanced cooperation and the exchange of best practices among Member States; CALLS FOR more structured and proactive dialogue between relevant enforcement authorities and EU institutions, including through joint guidance and better alignment of definitions and regulatory frameworks, as well as efforts to explore shared supervision models and interoperable national infrastructures where relevant. | 12. EMPHASISES <u>that delivering on the EU's digital ambitions requires the full and coherent implementation and application of newly adopted rules, including through enhanced cooperation and the exchange of best practices among Member States; CALLS FOR more structured and proactive dialogue between relevant enforcement authorities and EU institutions, including through joint guidance</u> on the application of the newly adopted rules and <u>better alignment of definitions and regulatory frameworks and interoperable national infrastructures where relevant.</u> | We suggest removing the words “ <u>as well as efforts to explore shared supervision models</u> ” as in our view – in line with the principle of subsidiarity – supervision is best done at Member State level. |
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| 13. STRESSES that well-designed digital tools can play a key role in strengthening the | | <u>Regarding the review of the DDPP, we consider it important to highlight that at the setting of the</u> |

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| <p>EU's competitiveness by reducing administrative burdens and improving the user experience for businesses and public administrations alike. STRESSES that such tools should be developed through a use-case driven approach where there is clear need and added value – particularly for SMEs – and implemented in a way that respects national digital infrastructures, existing well-functioning solutions and best practices. INVITES the Commission to set concrete, measurable objectives for administrative burden reduction through digitalisation, in particular in the context of the DDPP review.</p> | | <p><u>digital goals may also require a review of measurement methodologies.</u></p> |
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| <p>14. ENCOURAGES Member States to implement the EU Digital Identity Wallets,</p> | | |

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| <p>ensuring citizens and residents can access services in a safe, reliable, and privacy-preserving manner. UNDERLINES the importance of applying a “wallet-by-default” principle in upcoming as well as existing EU legislation, with a view to streamline digital solutions, avoid fragmentation and fully realise the Wallets’ potential across borders. In this context, CALLS FOR a mainstreamed use of the upcoming European Business Wallet, as well as the Digital Product Passport and eInvoicing, recognising their potential to simplify and digitalise business-to-government and business-to-business interactions.</p> | | |
| <p>15. Furthermore, UNDERLINES the need for simpler assessment of progress towards the EU digital targets and objectives, and for a more strategic and targeted reporting cycle to ensure a stronger focus on the added value of policy, while considering resource constraints in both</p> | <p><u>15. Furthermore, UNDERLINES the need for simpler assessment of progress towards the EU digital targets and objectives, and for a more strategic and targeted reporting cycle to ensure a stronger focus on the added value of policy, while considering resource constraints in both</u></p> | <p>In order to adjust polices to findings of the monitoring we encourage COM to provide substantive explanation to each findings.</p> |

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| <p>the Commission and Member States. In particular, INVITES the Commission to reconsider the annual publication of full country reports, given that policy effects often take time to materialise and may depend on broader synergies. This should not be at the cost of consistent monitoring of the progress.</p> | <p><u>the Commission and Member States. In particular, INVITES the Commission to reconsider the annual publication of full country reports, given that policy effects often take time to materialise and may depend on broader synergies. This should not be at the cost of consistent monitoring of the progress, the findings of which should continue to be published in a meaningful and analytically robust manner.</u></p> | |
| <p>16. RECALLS that the Digital Decade Board is intended to serve not only as a forum for coordination, but also for providing early input and political guidance on Union-level digital policy¹. INVITES the Commission and Member States to further develop this strategic role by strengthening the Board's capacity to</p> | <p><u>16. RECALLS that the Digital Decade Board is intended to serve not only as a forum for coordination, but also for providing early input and political guidance policy initiatives on Union-level digital policy². INVITES ENCOURAGES the Commission and Member States to further develop this strategic role by</u></p> | |

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¹ Cf. Commission Decision C(2022) 7141

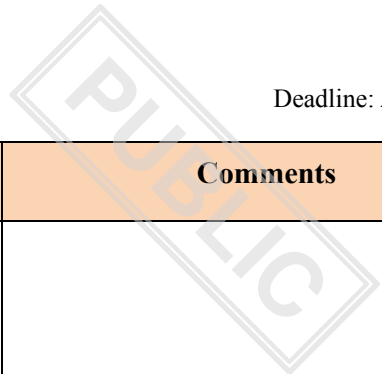
² Cf. [Commission Decision C\(2022\) 7141](#)

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| <p>support coherent implementation, foster coordination with other governance bodies established under the digital acquis, facilitate mutual learning and best practice exchange, and enable joint analysis and stress-testing of regulation.</p> | <p><u>strengthening the Board’s capacity to support coherent implementation, foster coordination with other governance bodies established under the digital acquis, facilitate mutual learning and best practice exchange, and enable joint analysis and stress-testing of regulation.</u></p> | |
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| <p>Fostering innovation and uptake of digital technologies</p> | | |
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| <p>17. ACKNOWLEDGES that long-term European competitiveness depends on a dynamic, innovation-driven digital economy, and STRESSES the importance of improving framework conditions for the development, testing, scaling and uptake of sustainable digital technologies across all sectors. UNDERLINES that this requires a forward-leaning approach rooted in research excellence, regulatory agility,</p> | | |

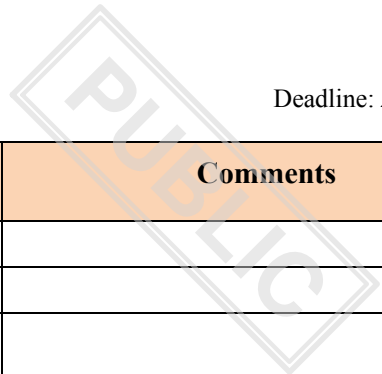
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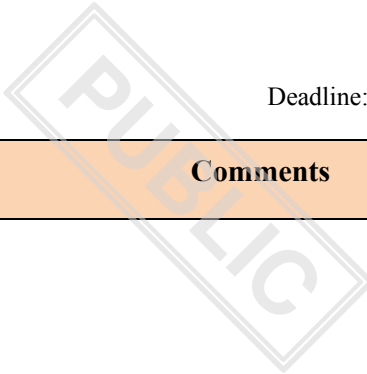
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| <p>access to capital and the removal of unnecessary barriers to experimentation and growth. HIGHLIGHTS the need to effectively bolster the “research-to-market” pathway in full and to have this ambition reflected in the DDPP, including in its monitoring mechanism.</p> | | |
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| <p>18. [WELCOMES the Commission’s Apply AI Strategy <i>(to be developed later)</i>.]</p> | | |
| | | |
| <p>19. [WELCOMES the Commission’s Data Union Strategy, <i>(to be developed later)</i>.]</p> | | |
| | | |
| <p>20. NOTES that the target on deploying 10,000 edge nodes may no longer reflect technological or market realities and could therefore be reconsidered. HIGHLIGHTS the relevance of ensuring access to computing capacity among the DDPP targets.</p> | | |
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| Reinforcing digital sovereignty | | |
| <p>21. UNDERLINES the importance of strengthening the EU’s digital sovereignty and economic security through a bold, effective, open, risk- and evidence-based strategic approach. SUPPORTS greater European capacity and leadership in critical digital technologies, while STRESSING that sovereignty equally relies on a strong and well-functioning single market with clear, innovation-friendly rules and better framework conditions for growth – including simpler, more proportionate and predictable regulation – and underpinned by strategic global collaboration and investment to ensure openness and diversified digital supply chains. CONSIDERS that such a balanced approach could be integrated in the DDPP review.</p> | | |
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| Presidency text | Drafting suggestions | Comments |
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| <p>22. RECOGNISES the importance of strengthening Europe’s data infrastructure as an enabler for the development and deployment of advanced digital technologies such as AI. RECOMMENDS maintaining a high level of ambition in the development and deployment of sustainable digital infrastructure, in particular as part of the forthcoming DDPP review.</p> | | |
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| <p>23. In this regard, LOOKS FORWARD to the forthcoming EU Cloud and AI Development Act as a key initiative to enhance access to data centres and compute capacities in Europe and foster a more diverse and competitive cloud landscape.</p> | <p>capacities in Europe the EU</p> | |
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| 24. Furthermore, INVITES the Commission to consider, as part of the DDPP review, targets on: | | |
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| i. the processing time for permitting digital infrastructure projects in the EU, | | |
| ii. promoting the uptake of open-source and multi-cloud solutions in both the public and private sectors, with a view to improving transparency, enhancing interoperability and reducing reliance on single providers, | <p><u>promoting the uptake of safe and secure open-source...</u></p> | |
| iii. championing effective cloud switching in the EU – in order to reduce vendor lock-in, strengthen interoperability and support the uptake of competitive and sovereign digital solutions – such as average switching time between cloud providers, or the proportion of organisations switching cloud providers over a defined period. | | |

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| Next steps | | |
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| <p>25. In line with the “one-in, one-out” principle, ENCOURAGES the Commission to assess whether some of the existing DDPP targets could be replaced by – or integrated with – new targets, such as the proposals set out in these Council Conclusions, considering their policy relevance, feasibility of monitoring, availability of data and overall administrative burden.</p> | | |
| | | |
| <p>26. LOOKS FORWARD to continued discussions in the Council and the Digital Decade Board on strengthening the EU’s digital competitiveness, within the framework of the Digital Decade and beyond.</p> | | |
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Draft Council Conclusions on European Competitiveness in the digital decade

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