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General Secretariat

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CONTRIBUTION

From:	General Secretariat of the Council
To:	Working Party on Telecommunications and Information Society
Subject:	Draft Council Conclusions on European Competitiveness in the digital decade (ST 12338/25) - FI comments

Delegations will find in the annex the FI comments on the Draft Council Conclusions on European Competitiveness in the digital decade (ST 12338/25) .

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
General comments		
EUROPEAN COMPETITIVENESS IN THE DIGITAL DECADE		
THE COUNCIL OF THE EUROPEAN UNION,		

Presidency text	Drafting suggestions	Comments
RECALLING		
<p>– The Decision of the European Parliament and of the Council of 14 December 2022 establishing the Digital Decade Policy Programme,</p>		
<p>– <u>The European Declaration of 23 January 2023 on ‘Digital Rights and Principles for the Digital Decade’</u>,</p>		
<p>– The <u>Joint Communication from the Commission of 20 June 2023 on ‘European Economic Security Strategy’</u> of 20 June 2023,</p>		
<p>– <u>The Niinistö Report of 20 March 2024 ‘Safer together: A path towards a fully prepared Union’</u>,</p>		

Presidency text	Drafting suggestions	Comments
<p>– <u>The Letta Report of 17 April 2024</u> <u>‘Much more than a market: Speed, Security, Solidarity’,</u></p>		
<p>– The European Council Conclusions of 18 April 2024 <u>on ‘A New European Competitiveness Deal’,</u></p>		
<p>– The Council Conclusions of 24 May 2024 on <u>‘A competitive European industry driving our green, digital and resilient future’,</u></p>		
<p>— <u>The Niinistö Report “Safer together: A path towards a fully prepared Union”, 20 March 2024,</u></p>		
<p>— <u>The Letta Report “Much more than a market: Speed, Security, Solidarity”, 17 April 2024,</u></p>		

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<p>– The Draghi Report <u>of 9 September 2024</u> “‘The future of European competitiveness’”, 9 September 2024,</p>		
<p>– The <u>Communication from the Commission of 29 January 2025 ‘A Competitiveness Compass for the EU’</u>adopted by the Commission on 29 January 2025,</p>		
<p>– <u>The Communication from the Commission of 9 April 2025 on ‘AI Continent Action plan’</u>,</p>		
<p>– <u>The Communication from the Commission of 28 May 2025 on ‘The EU Startup and Scaleup Strategy – Choose Europe to start and scale’</u>,</p>		

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<p>– The Joint Communication from the Commission and the High Representative of 4 June 2025 on ‘An International Digital Strategy for the European Union’ of 4 June 2025,</p>		
<p>– The report from the Commission of 16 June 2025 ‘State of the Digital Decade 2025’ adopted by the Commission on 16 June 2025,</p>		
<p>– [The Communication from the Commission of [XX] 2025 on the a Apply AI Strategy,]</p>		
<p>– [The Communication from the Commission of [XX] 2025 on a Data Union.]</p>		
<p>BUILDING ON</p>		
<p>– The Council Conclusions of 21 May 2024 on <u>“The Future of EU Digital Policy”</u>,</p>		

Presidency text	Drafting suggestions	Comments
<p>– The Council Conclusions of 6 December 2024 on the Commission White Paper “How to Master Europe’s Digital Infrastructure Needs?”</p>		
<p>– The Council Conclusions of 6 June 2025 on ‘Reliable and Resilient Connectivity’</p>		
<p>– [The Council Conclusions of [20 October] 2025 on ‘Advancing an International Digital Strategy’.]</p>		
<p>I. Strengthening European Competitiveness with the Digital Decade as a strategic compass for a sovereign digital transformation</p>		
<p>1. STRESSES that strengthening the EU’s digital competitiveness while safeguarding</p>		

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<p><u>fundamental rights and EU values</u> is a core strategic objective, critical to fostering innovation, productivity, welfare and <u>prosperity</u>, sustainable growth <u>and economic security</u> across the EU.</p>		
<p>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 <u>all of</u> its 2030 targets, particularly in areas vital to digital competitiveness such as AI uptake, and SME digitalisation <u>and digital skills</u>. STRESSES the need for accelerated <u>and aligned</u> efforts at both EU, and national <u>and regional</u> levels to address this shortfall, <u>while UNDERLINING the importance of taking national circumstances and changing technological environment into account.</u></p>	<p>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 <u>all of</u> its 2030 targets, particularly in areas vital to digital competitiveness such as AI uptake, and SME digitalisation <u>and digital skills</u>. STRESSES the need for accelerated <u>and aligned</u> efforts at both EU, and national <u>and regional</u> levels to address this shortfall, <u>while UNDERLINING the importance of EU's global competitiveness and the importance of taking national circumstances and changing technological environment into account.</u></p>	<p>We should underline the importance of AI Continent and the global race (not just changes in technologies although they are important as well)</p>

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<p>3. REITERATES that the Digital Decade Policy Programme (DDPP) serves as the EU’s strategic compass for navigating <u>and investing in</u> the digital transformation and building long-term digital competitiveness and sovereignty <u>in an open manner.</u></p>		
<p>4. UNDERLINES the importance of maintaining the DDPP’s ambition and coherence, while updating it in a targeted and evidence-based manner to ensure its continued relevance.</p>		

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<p>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 <u>in a sustainable and inclusive way, thus safeguarding EU values.</u></p>		
<p><u>5a. NOTES the prominent role of digital, including the DDPP, in the Commission's proposal for the Multiannual Financial Framework (MFF), the European Competitiveness Fund and the National and Regional Partnership Plans.</u></p>		
<p><u>II. Digitalisation and AI as key drivers for competitiveness</u></p>		
<p>6. EMPHASISES the central role that the development and uptake of digital technologies, <u>digital skills and talent</u> play in enhancing the</p>		

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<p>EU’s competitiveness and sovereignty, and STRESSES the urgent need to strengthen the EU’s capacity to understand, access, develop and; adopt and govern such technologies and their underlying infrastructure.</p>		
<p>7. RECOGNISES the importance of building on the EU’s competitive strengths and removing remaining barriers in the digital single market as the foundation for accelerating digital development and uptake.</p>		
<p>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, including by developing and deploying AI Factories and AI Gigafactories, cultivating, attracting and retaining AI talent, and ensure the consistent</p>	<p>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, including by developing and deploying AI Factories and AI Gigafactories, cultivating, attracting and retaining AI talent, supporting the</p>	<p>FI suggests adding the idea of supporting the collaborative development of AI models for different sectors</p>

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<p><u>implementation of</u> a regulatory framework that supports innovation <u>and scalability within the single market.</u></p>	<p>collaborative development of AI models for different sectors and ensure <u>the consistent implementation of</u> a regulatory framework that supports innovation <u>and scalability within the single market.</u></p>	
<p><u>III.</u> An Effective, simplified and coordinated digital regulation regulatory framework</p>		
<p>9. EMPHASISES the importance of ensuring that digital regulation is a simple, clear, proportionate and predictable <u>regulatory framework for digital and data-driven societies-</u> in order to reduce unnecessary <u>barriers,</u> complexity and compliance costs for businesses, in particular SMEs; <u>to give certainty, enable competition and innovation,</u> while ensuring the <u>a high level of</u> protection of</p>		

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<p>consumers and citizens, across the single market and beyond <u>and building trust in new technologies.</u></p>		
<p>10. [WELCOMES / LOOKS FORWARD TO <i>(depends on the timing)</i>] the Digital Package by the Commission, and <u>RECOGNISES</u> its ambition to reduce <u>unnecessary</u> regulatory burdens, <u>increase coherence</u> 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 <u>and streamlining</u> regulation, <u>including reporting obligations, and facilitating seamless administration and effective enforcement to achieve</u> for a competitive single market, <u>while maintaining the key objectives of the digital acquis.</u></p>		

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<p>11. URGES ADVOCATES FOR the systematic use of stress-tests of the digital acquis with a strong focus on competitiveness, simplification, coherence and enforcement feasibility. In this context, STRESSES the importance of digital-ready policymaking and the Commission’s consistent use of interoperability assessments and the resulting Digital Statements, in order to clearly communicate digital implications impact and support more efficient implementation of new EU legislation.</p>		
<p>12. EMPHASISES that delivering on the EU’s digital ambitions requires the full and coherent implementation and application of</p>	<p>12. EMPHASISES that delivering on the EU’s digital ambitions requires the full and coherent implementation and application of</p>	<p>We support the addition of having a formal cooperation mechanism. However, as it presented problems to some delegations, we are</p>

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<p>newly adopted rules, including through enhanced cooperation and the exchange of best practices among Member States; <u>CALLS FOR more structured and proactive dialogue between relevant enforcement authorities and EU institutions, including through formal cooperation mechanisms that support consistency and predictability of implementation with joint guidance on the application of the newly adopted rules and better alignment of definitions, governance bodies and regulatory frameworks, as well as efforts to explore possibilities for shared supervision models and interoperable national infrastructures where relevant, involving political and strategic direction from the Member States where appropriate.</u></p>	<p>newly adopted rules, including through enhanced cooperation and the exchange of best practices among Member States; <u>CALLS FOR more structured and proactive dialogue between relevant enforcement authorities and EU institutions, including through formal cooperation mechanisms that support consistency and predictability of implementation with joint guidance on the application of the newly adopted rules and better alignment of definitions, governance bodies and regulatory frameworks, as well as efforts to explore possibilities for shared supervision models and interoperable national infrastructures where relevant, involving political and strategic direction from the Member States where appropriate.</u></p>	<p>open to find a compromise solution. For example, instead of using the word “formal” we could use the word “structured”. In any case, more than case-by-case cooperation is needed between different boards/activities, so that we can avoid duplication and move from isolated activities toward broader regional interoperability.</p>

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<p>13. STRESSES that well-designed digital tools, <u>such as European Digital Identity Wallets and the forthcoming European Business Wallets, can</u> should be well-designed <u>and</u> play a key role in strengthening the EU's competitiveness by reducing administrative burdens <u>and regional disparities</u>, and <u>by</u> improving the user experience <u>including</u> for businesses and public administrations alike.</p> <p>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 <u>and that ensures interoperability</u>. INVITES the Commission to set concrete, measurable objectives for administrative burden reduction through digitalisation, in particular in the context of the DDPP review <u>harness the full potential of digital tools in its efforts to reach</u></p>		

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<p><u>the 25% burden reduction target for all companies and 35% for SMEs set out in the Competitiveness Compass, and to monitor and report, where possible, on their contribution to these reductions.</u></p>		
<p>14. ENCOURAGES Member States to <u>– in step with the timely adoption of implementing and delegated acts –</u> implement <u>and enhance the uptake of the EU European</u> Digital Identity Wallets, 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 <u>approach</u> in upcoming as well as existing EU legislation, with a view to streamline digital solutions, avoid fragmentation, <u>promote interoperability</u> and fully realise the Wallets’ potential across</p>		

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<p>borders. In this context, CALLS FOR a mainstreamed use of the upcoming European Business Wallets, as well as the Digital Product Passport and eInvoicing, recognising their potential in order to simplify and digitalise business-to-government and business-to-business interactions.</p>		
<p>15. Furthermore, UNDERLINES the need for simpler, more transparent 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 the Commission and Member States. In particular, INVITES the Commission to reconsider the annual publication of reduce duplication in reporting requirements as well as to explore the</p>		<p>We support the amendments made about the possibility to decrease the frequency of the reporting – we would like to keep the text as it is.</p>

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<p><u>possibility to decrease the frequency of</u> publication of full country reports, <u>including recommendations</u>, 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>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 ENCOURAGES the Commission and Member States to further develop this strategic role by strengthening the Board's capacity to support coherent implementation, foster coordination with other</p>		

¹ Cf. Commission Decision C(2022) 7141.

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governance bodies established under the digital acquis, facilitate mutual learning and best practice exchange, and enable joint analysis and stress-testing of regulation.		
IV. Fostering innovation and uptake of digital technologies		
17. ACKNOWLEDGES that long-term European competitiveness depends on a dynamic, innovation-driven digital economy, and STRESSES, <u>in line with the EU Startup and Scaleup Strategy</u> , the importance of improving framework conditions for the development, testing, scaling and uptake of sustainable digital technologies across all sectors.		

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<p>17a. UNDERLINES that this requires a forward-leaning approach rooted in research excellence, regulatory agility, access to capital and the removal of unnecessary barriers to experimentation, <u>innovation,</u> <u>commercialisation</u> and growth. HIGHLIGHTS the need to effectively bolster the <u>full</u> “research-to-market” pathway in full <u>for digital technologies</u> and to have this ambition <u>more accurately</u> reflected in the DDPP, including in its monitoring mechanism.</p>	<p style="text-align: center; opacity: 0.5; font-size: 48px; transform: rotate(-30deg);">PUBLIC</p>	
<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><u>RECALLS that Europe’s success in artificial intelligence, advanced industrial automation</u></p>	<p>We propose a new paragraph on data as the Data Union Strategy will most likely come too</p>

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	<p><u>and digitising the public sector depends on structured access to high-quality data and STRESSES in this regard the importance of common European data infrastructure such as open standards in data, interoperability solutions and open source software.</u></p>	<p>late for the Council to a position on it in these Conclusions. As the simplification dimension of the Strategy is already covered by paragraphs 9 and 10, here the focus would be in data infrastructure. This means a structured, modular technology and resource stack that will align both binding legislation and soft law instruments and includes elements such as open standards in data, interoperability solutions and leveraging open source software.</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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<p><u>V.</u> Reinforcing digital sovereignty <u>in an open manner</u></p>		
<p>21. UNDERLINES the importance of strengthening the EU’s digital sovereignty and economic security through a <u>coherent</u>, bold, effective, open, risk- and evidence-based strategic approach. <u>RECOGNISES that the development of critical digital technologies, including those with dual-use potential, are interdependent and mutually reinforcing.</u></p>	<p>UNDERLINES the importance of strengthening the EU’s digital sovereignty and economic security through a <u>coherent</u>, bold, effective, open, risk- and evidence-based strategic approach. <u>CALLS for a common understanding of the fundamental principles of digital sovereignty.</u> <u>RECOGNISES that the development of critical digital technologies, including those with dual-use potential, are interdependent and mutually reinforcing.</u></p>	<p>A) We would like to move this sentence from para 23 to para 21: “In this context, CALLS for a common understanding of the fundamental principles of digital sovereignty.”</p> <p>Para 21 focuses on digital sovereignty, so that would be a more logical paragraph for this notion (rather than para 23 focusing on data centers and cloud)</p> <p>B) We are in favour of keeping the added sentence (“RECOGNISES...”). We can also accept the Belgian proposal to clarify the meaning of the paragraph.</p>

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<p>21a. SUPPORTS greater European-EU capacity and leadership in <u>development and adoption of</u> critical digital technologies, while stressing that sovereignty equally relies on a strong and well-functioning single market with <u>fair competition</u>, clear, innovation-friendly rules and better framework conditions for growth —including simpler, more proportionate and predictable regulation—and underpinned by strategic global collaboration, <u>trade</u> and investment to ensure openness and diversified, <u>secure and trusted</u> digital supply chains.</p> <p>CONSIDERS that such a balanced approach could be integrated in the DDPP review.</p>		
<p>21b. <u>Therefore, INVITES the Commission to consider reflecting the following elements in the DDPP, with particular attention to key digital technologies:</u></p>		

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<p>i. <u>facilitating development of and access to critical digital infrastructure capacities in the EU,</u></p>	<p><u>facilitating development of and access to critical digital infrastructure capacities, such as AI infrastructure, in the EU, and ADDRESS the quantitative goals for them,</u></p>	<p>We thank the Presidency for reformulating this paragraph, since in our comments to the first draft, we found that version to be too detailed.</p> <p>However, we have one addition to propose. We must ensure that quantitative goals are in line with the expected use and outcomes from AI application. If the counting power does not match the demand of society (business and public sector), it means we are buying outside Europe and thus losing the control and end up being less sovereign after few years.</p>
<p>ii. <u>enhancing transparency, interoperability and competition, while reducing vendor lock-in and reliance on single providers, including through open-source and modular solutions, in particular for cloud and AI,</u></p>		

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<p>iii. <u>strengthening access to and uptake of advanced digital skills, to secure the talent needed to develop, deploy and harness key digital technologies,</u></p>		
<p>iv. <u>supporting innovation to increase the market share of EU suppliers, thereby reducing strategic dependencies, including through the strategic use of public procurement.</u></p>	<p>iv. <u>supporting research, development and innovation to increase the market share of EU suppliers, thereby reducing strategic dependencies, including through the strategic use of public procurement.</u></p>	<p>Would be useful to acknowledge the whole value chain here from research to innovation since innovation is based on basic research. Abbreviation RDI could also be used here.</p>
<p>22. <u>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.</u></p>		

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<p><u>HIGHLIGHTS that energy and resource efficient sustainable digital technologies contribute to improving our resilience and digital sovereignty, and RECALLS the invitation to the Commission to add a target related to a greener digital transition and to incentivise the deployment of innovative technologies to the benefit of climate action in the review of the DDPP.</u></p>		
<p>23. In this regard, LOOKS FORWARD to the forthcoming EU Cloud and AI Development Act, <u>which has the potential to become</u> as a key initiative to enhance access to data centres and compute capacities in Europe <u>the EU</u> and foster a more diverse and competitive cloud landscape, <u>including for SMEs. In this context, CALLS for a common</u></p>	<p>In this regard, LOOKS FORWARD to the forthcoming EU Cloud and AI Development Act, <u>which has the potential to become</u> as a key initiative to enhance access to data centres and compute capacities in Europe <u>the EU</u> and foster a more diverse and competitive cloud landscape, <u>including for SMEs. In this context, CALLS for a common</u></p>	<p>We would like to suggest moving this sentence to para 21: “In this context, CALLS for a common understanding of the fundamental principles of digital sovereignty.”</p> <p>Para 21 focuses on digital sovereignty, so that would be a more logical paragraph for this</p>

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<p><u>understanding of the fundamental principles of digital sovereignty.</u></p>	<p><u>understanding of the fundamental principles of digital sovereignty.</u></p>	<p>notion (rather than para 23 focusing on data centers and cloud)</p>
<p>24. — <u>Furthermore, INVITES the Commission to consider, as part of the DDPP review, targets on:</u></p>		
<p>i. — <u>the processing time for permitting digital infrastructure projects in the EU,</u></p>		
<p>ii. — <u>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.</u></p>		

Presidency text	Drafting suggestions	Comments
<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.</p>		
<p><u>VI.</u> Next steps</p>		
<p>25. In line with the “one in, one out” principle, ENCOURAGES the Commission to carefully assess whether some of the existing DDPP targets reflect technological or market realities – such as on edge nodes – and could be withdrawn or replaced by —or integrated with— new targets, such as the proposals set out like those suggested in these Council</p>		

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<p>Conclusions, considering their policy relevance, feasibility of monitoring, availability of data and overall administrative burden. <u>STRESSES that targets should be concrete and possible to implement in a simple and transparent manner.</u></p>		
<p><u>25a. Furthermore, INVITES the Commission to continue its ambitious agenda to simplify the digital acquis, while ensuring that all new legislation, including implementing and delegated acts, are simple, clear, proportionate, predictable and digital by default.</u></p>		
<p>26. LOOKS FORWARD to continued discussions in the Council and the Digital</p>		

Presidency text	Drafting suggestions	Comments
Decade Board on strengthening the EU's digital competitiveness, within the framework of the Digital Decade and beyond.		
