# Digital Agenda for EU competitiveness and innovation 2024-2029

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**Digital competitiveness will decide the future of Europe**. Our economic prosperity is determined by being at the forefront of technology, investing in a robust digital infrastructure and access to data. Our security is determined by modern technology in defence, cybersecurity and protection of personal data. It is obvious that a clear strategy to lead the EU to digital competitiveness and investing in the digital transition is key to secure the EU's prosperity and freedom.

However, the **digital policy of the EU can so far be seen as a failure**. The enormous potential of new technologies has hardly been promoted, resulting in a widening innovation gap and a strong dependency on foreign products and services. Roll-out of critical infrastructure such as standalone 5G lags years behind China and the United States. Instead, the EU's policy focus has been on protective regulation. Even those risk-focussed laws have hardly had any positive impact due to their lack of implementation and

enforcement. Internally, the digital policy of the EU has made compliance so expensive and difficult for EU companies that they face a severe disadvantage compared to their non-European competitors.

**What we need from the new European Commission is a radical re-thinking**. We need to put digitalisation on top of the agenda, like a "Digital Deal". We need to rethink the way we legislate in the digital sphere. We need Member States to join forces and have digital competitiveness as a common priority. We need strategic investments in our digital competitiveness, including in new technologies, skills, access and use of data and the digitalization in European companies.

**Therefore, we need a clear digital agenda for EU competitiveness and innovation for the next five years**, built on better regulation, digital enforcement, a data strategy, investment, a sustainable digital (social) infrastructure, an industry strategy and security.

## Better Regulation

The current regulatory landscape has led to complicated bureaucracy and overlapping, unclear rules. What is needed is an overhaul of how we approach digital regulation to achieve more coherent, more harmonised and more effective results.

1. Create a task force that identifies legal overlaps, contradictions and gaps in existing legislations.

2. Focus on review, adaption, implementation and enforcement of existing laws instead of creating new rules.

3. Propose legislation only in the form of regulations to achieve full harmonization.

4. Remove barriers, such as burdensome market access procedures, high regulatory costs, and the frequent use of derogations resulting in diverging rules across the Digital Single Market.

5. Improve the quality and strictness of impact assessments to improve foresight in policy-making and the sustainability of legislation in light of changing contexts. Amendments from the Parliament and the Council should also be subject to impact assessments before inter-institutional negotiations start.

6. Combine ex ante/ex post approaches to better tackle the 'pacing problem' and complement the legislative toolbox with alternative governance approaches that are quicker and more adaptable.

7. Set up a digital committee with legislative powers in the European Parliament to respond to horizontal challenges.

8. Use EU standardisation organisations as a platform for streamlining and harmonising standards, including industry-led voluntary ones.

## Digital enforcement

The EU's regulatory efforts have been focused on risks rather than opportunities. However, the lack of successful enforcement has hindered positive impacts, as e.g. our privacy is still inadequately protected against large US and Chinese platforms that circumvent the rulebook. We need clear mechanisms to guarantee effective implementation and enforcement of digital laws to achieve protection of our citizens and competitiveness at the same time.

1. Establish a digital enforcement agency with sufficient resources that incorporates the DSA/DMA enforcement unit, the AI Office and the EDPB/EDPS.

2. Improve enforcement of the GDPR by making the consistency mechanism compulsory and by streamlining the diverse national interpretations of the law.

3. Draw up a working concept for regulatory sandboxes and increase the use of public-private partnerships.

## Data strategy

Data is the new oil. The value of data as an economic good has been completely underestimated and has led to other players using the value of European data for their own advantage. We need to combine a free flow of

data with the effective protection of personal data at the same time.

1. **Guarantee** the European and international free **flow of data** and metadata, in particular for an EU's digital trade policy with the like-minded and value based partners.

2. Establish a comprehensive **data union** grounded on access to data, connectivity and AI flagship projects.

3. Revise and **modernize the General Data Protection Regulation (GDPR)** by introducing procedures for anonymization and pseudonymization of personal data and make the GDPR applicable to autonomous, self-learning AI.

4. Fund research on **standardising 'privacy by design'** approaches and promote cryptographic solutions and privacy- preserving machine learning techniques.

5. Develop a **taxation system for data value** in the EU and increase the engagement on data taxation issues internationally.

6. **Provide subsidies and tax-breaks** to companies that voluntarily share data among businesses.

## Digital Investment

Putting digital competitiveness on top of the EU's agenda is not only a regulatory exercise but above all an investment exercise. A sustainable and just digital transition needs to be clearly reflected in the EU's budget and the MFF.

1. Set a goal for European Member States to invest a percentage of their GNI into research on digital technologies, amounting to **20-25 billion Euros a year.**

2. Build the **Capital Markets Union** and bring significant investment into the technology sector.

3. Create a **European Sovereign Tech Fund** to make major investment bets, based on political priorities of the European Innovation Council and the European Commission.

4. Adopt ambitious proposals in the **Digital Networks Act** that unlocks public and private sector funding to close the 200 billion Euro **connectivity investment gap** to meet the Digital Decade targets.

5. Invest heavily in **research** on key technologies (e.g. robotics and quantum computing) through a **strategic roadmap and build on Horizon projects.**

## Sustainable digital (social) infrastructure

The digital transition affects all aspects of society. Modern technologies have advanced how we live, how we move, how we work. While this transition has major benefits, we need to make sure nobody falls behind. Society needs access through connectivity as well as support and skills to navigate through the transition. At the same time, we need to make sure the digital transition is climate neutral and energy efficient. Therefore, we need a just and sustainable rollout of the digital (social) infrastructure.

1. Establish a resilient digital infrastructure without major gaps across the EU to guarantee **high-speed connectivity.**

2. Foster the use of sustainable solutions such as **digital twins** to enable the monitoring of energy efficiency of the digital infrastructure, collecting information on emissions and product lifecycles.

3. Launch competitions for digital solutions tackling specific environmental problems.

4. Establish monitoring mechanisms to analyse, measure and score the social impact of digital technologies.

5. Set out a clear roadmap for closing the significant digital skills gap, including an EU-Visa scheme for tech-talents.

6. Create a digital competence framework which helps individuals and SMEs to find relevant training and learning opportunities and fund free online courses that enhance digital literacy

7. Include AI-based systems in eGovernence services to provide borderless, interoperable, personalised and user-friendly digital public services and promote the use of eGovernance by 90% of EU citizens by 2029.

## Industry Strategy

European companies, especially SMEs, need the right environment to increase competitiveness and foster digital innovation. Instead, they are drowning in bureaucracy. At the same time, we need to reduce our dependency on non-European providers. Therefore, we need a competitive digital industry strategy.

1. Consolidate and streamline individual initiatives to support EU industry and incorporate them into a new digital industry strategy.

2. Provide tax breaks and state aid exemptions for SME's investments and research in modern technologies.

3. Reporting obligations for companies should be either be abolished or streamlined and digitalised.

4. Use big data analysis to increase transparency and to perform stress tests assessing the resilience of value chains, map dependencies or future supply bottlenecks.

## Security

The global security landscape will be determined by modern technologies and international technological alliances. The European cybersecurity system is weak. At the same time, personal security online and offline as well as protection from harmful content and disinformation is key to provide a safe environment for society and to safeguard democracy. The EU's regulatory efforts for platforms are still not sufficient. Therefore, we need to safeguard and promote a value-based use of modern technology on the global level.

1. Uphold a strong international core value-based technology alliance to overcome regulatory divergence and strategic vulnerabilities by building on each other's assets and pooling resources.

2. Confer competences in cybersecurity to the European level in order to pool resources, coordinate better, and streamline national cybersecurity policies efficiently.

3. Formulate mandatory cyber security requirements for all digital and in particular AI applications that cover the entire lifecycle from development.

4. Introduce an **active EU cyber diplomacy strategy and task force** in order to counterstrike quickly against foreign cyberattacks, especially on critical infrastructure.

5. Promote diligently developed **algorithms for crime prevention and investigation**, based on qualitative data sets. Introduce a European data retention policy as it is needed to address threat by terrorism and organised crime.

6. Develop a set of **European guidelines for the development of autonomous weapons systems**.

7. Use the new **European Democracy Shield** initiative to bring together all EU efforts on disinformation into one DG and under one Commissioner.

8. Promote new methods for **detecting deepfakes and fake news**, including by supporting watermarking initiatives such as C2PAI.

9. Protect children by expanding a **ban of harmful and distressful content**, including any harm done to a person or animal on large platforms.