

Open Letter: European Industry Calls for Strong Commitment to Sovereign Digital Infrastructure

14 March 2025

Dear President Von der Leyen,

Dear Executive Vice-President Virkkunen,

The recent Munich Security Conference, subsequent US-announced measures and further developments in US/EU relations have exposed the stark geopolitical reality Europe is now facing. Building strategic autonomy in key sectors is now a recognised urgent imperative across Europe. As part of this common effort, **Europe needs to recover the initiative, and become more technologically independent across all layers of its critical digital infrastructure:** from logical Infrastructure - applications, platforms, media, AI frameworks and models - to physical Infrastructure - chips, computing, storage and connectivity. Europe's current multiple dependencies create security and reliability risks, compromise our sovereignty and hurt our growth.

It has been clear for some time that Europe **cannot regulate itself out of its laggard position**. It needs to take proactive industrial action: it has enormous talent, capabilities, assets and business record in the digital space, but the legacy of our structural fragmentation (as described in the Draghi report) have led our Continent to fall significantly behind the US and China. Even with the positive announcements at the Paris AI Action Summit, Europe will lose out on digital innovation and productivity growth without sweeping and urgent change – our reliance on non-European technologies will become almost complete in less than three years at current rates.

It is time for radical action.

This diagnosis is well understood and has been clearly set out by the **EuroStack initiative**¹, which over the past six months has championed a major effort to support digital sovereignty and spearheaded the call for a bigger role for European industry in our digital supply chains.

The signatories to this letter are diverse European businesses and associations which share the EuroStack assessment, and in particular its vision for an industry-led effort. We encourage you and the Commission to engage actively with this effort. What business needs is a pragmatic **industrial policy strategy to reduce our dependencies in critical technologies, while focusing on selected initiatives to overcome Europe's structural challenges – fragmentation, suppression of local demand, focus on research rather than productization, lack of adequate capital – to promote productivity growth and security**. Not

¹ The “EuroStack Initiative” is steered by a volunteer, non-lobby, unpaid collective of technologists and economists, supported by multiple constituencies from industry to associations to think tanks to civil society. The Initiative published an initial [overview pitch paper in January: EuroStack: European Strategic Sovereign Digital Infrastructures](#). Since then, a number of further related reports and initiatives have grown out of the original idea (see also [EuroStack – A European Alternative for Digital Sovereignty](#)), reflecting the shared sense of urgency now felt across Europe.

just funding of R&D initiatives, but supporting European industry to gain relevance in supplying European (and global) needs.

We call on your convening powers to mobilise industry to *actively* help coordinate and validate a continent-wide strategy to power a European digital sovereign effort. To support Europe in this acute moment of crisis for our security and strategic autonomy, the Commission must **urgently form and convene working groups with industry to transform its tech sovereignty ambition into concrete actions.**

Immediate goals need to include:

- **Creating demand** – industry will invest if there are adequate demand prospects. The business case for investment must be supported by clear, objective and strong procurement obligations - with a formal requirement for the public sector to **“Buy European”** – i.e. source their needs from European-led and assembled solutions (while recognising these may involve complex ecosystems and supply chains). The private sector needs appropriate incentives and inducements to steer a portion of their demand towards European suppliers enabling sovereign solutions. **Prioritising areas where Europe can already deliver** will be key to shifting resources fast to European suppliers, creating value and market in a virtuous circle. The aim is not to exclude non-European players, but to create space where European suppliers can legitimately compete (and justify investment).
- **Create viable supply by supporting a “pooling and federating” approach and common industry standards** that can deliver scaled European alternatives – working closely with industry to virtually pool and leverage existing dispersed assets and solutions in core areas into coherent networked, accessible and commercially available offerings. This means again working with industry to inventory resources fast, supporting open source solutions and interoperability (both technically and commercially), aggregating “best of breed” existing assets, supporting onboarding with integration platforms and low compliance barriers – while meeting localization and security imperatives. **Priority must be given to projects that address basic infrastructural needs**, such as hardware autonomy and sovereign cloud and platforms. With non-European corporations extracting value and concentrating power through proprietary technologies, “openness” (open science, standards, data) should be a pillar of Europe’s digital sovereign strategy.
- **Prioritise services with strong adoption prospects**, meeting real needs such as satisfying cybersecurity objectives. Again working with industry, select interventions and measure results in terms of business outcomes. Business Drivers (BD), Critical Success Factors (CSF), and Key Performance Indicators (KPI) must be defined for every funded project, based on market impact. Participants to funded projects must be selected based on their ability to contribute assets, willingness to share them in a federated model, and commitment to be rewarded based on measurable market results.
- **Develop harmonized requirements (e.g. a certification scheme) for public/private cloud users to opt (on a voluntary basis) for sovereign cloud services for their**

sensitive data. For the successful uptake of Cloud, data spaces and AI, European cloud users must be able to ensure that their most sensitive data are protected against access or operational disruption arising from non-EU extraterritorial laws. This should be naturally addressed at EU level, and the **European Cloud Services Cybersecurity Certification Scheme (EUCS) should be augmented to High+ criteria** (or EUCS should be kept on hold until an adequate alternative solution is found).

On funding:

- **Review and repurpose existing plans under the Digital Decade initiative**, reassigning funds where appropriate and prioritizing tangible, market relevant, result-oriented projects.
- **Create a Sovereign Infrastructure Fund to support public investments**, particularly in the capital-intensive parts of the value chain (e.g. quantum and chips) with significant additional commitment of funds allocated and/or underwritten by EIB and national public funding bodies. Complement existing initiative (like STEP Seal) by consulting with philanthropic VCs, national innovation/funding institutions, as well as national sovereign funds, to create a coordinated sense of purpose and development (not just innovation). Consider the creation of a “European Dynamism Fund of Funds”.

We support EuroStack’s emphasis on **industry’s leadership** in delivering, pooling and governing European infrastructure.

Time is of the essence, and industry is prepared to invest if there are conditions for viable returns. Together we must create a reliable, open infrastructure which supports offering solutions that cannot be built in today’s captured digital economy. We stand ready to meet you to discuss this plan.

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