2025 State of the Digital Decade package

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The State of the Digital Decade 2025 report offers a comprehensive overview of the EU's digital transformation.

The Digital Decade Policy Programme 2030 sets the framework for the EU's digital transformation. The Commission monitors its evolution each year with a report on the state of the Digital Decade.

The report maps the progress made towards the 2030 targets and objectives. It highlights achievements and gaps while proposing concrete, actionable recommendations to EU countries. It also assesses progress made regarding multi-country projects and monitors the application of the European Declaration on Digital Rights and Principles.

The 2025 report also explores key drivers and challenges, including the current geopolitical paradigm, the rise of generative AI and its impact on competitiveness and energy production. Persistent strategic dependencies threaten the EU's economic security and technological sovereignty, in particular in the areas of semiconductors, cloud and data infrastructure and cybersecurity technologies. The 2025 report highlights the need to keep people and societies engaged in an increasingly hybrid and complex context.

The 2025 report evaluates the updated **National Digital Decade Strategic Roadmaps** adopted by Member States in 2023.

The 2025 State of the Digital Decade report **urges renewed action on digital transformation and technological sovereignty**.

These issues are analysed in clusters, defined around their contribution to:

- a competitive, sovereign, and resilient EU
- protecting and empowering people
- leveraging digital transformation for smart greening
- harmonising digital policies and spending

Challenges and key drivers

In 2025, despite a complex context, the Digital Decade Policy Programme (DDPP) remains a central compass driving the digital transformation of the EU. Progress has been made in areas like digitalisation of public services, basic 5G coverage, and deploying edge nodes for quicker, more efficient data processing, but critical gaps remain. Member States made efforts to address last year recommendations, outlining in their roadmaps a total of 1,910 measures worth €288.6 billion (1.14% of the EU GDP).

However, the report highlights structural challenges and new concerns:

1. Although there are certain advancements, the **rollout of connectivity infrastructure**, such as fibre and 5G stand-alone networks, is still lagging. Data shows certain improvements in the deployment of edge nodes, allowing for a faster data processing with lower energy consumption. Submarine data cables and satellite systems remain under-developed and vulnerable to external dependencies and security risks.
2. **Adoption of Artificial Intelligence (AI), cloud and big data by companies** has improved, however it needs to accelerate. The EU remains **dependent on external providers for AI and cloud services – often used in public services** – as well as the production of semiconductors and quantum infrastructure components.
3. Just over half of Europeans (55.6%) have a **basic level of digital skills**, which are fundamental for societal resilience to online threats, including those affecting information integrity, mental wellbeing and minors. The **availability of ICT specialists** with advanced skills remains low and with a stark gender divide, hindering progress in key sectors, such as cybersecurity and AI.
4. In 2024, the EU made **steady progress in digitalising key public services**. A substantial portion of governmental digital infrastructure continues to **depend on service providers outside the EU**.
5. The **EU's digital future is becoming increasingly dependent on stable energy production**. Exponentially rising energy demands, including linked to the growing use of AI, are rapidly outpacing the development of clean and reliable energy supply and grid capacity across the EU. This discrepancy is emerging as a potential significant barrier to the scaling of key digital technologies and delaying the EU's ability to fully leverage AI and data-driven innovation for economic competitiveness.
6. The lack of effective collaboration between the civil sector and the defence sector is causing delays in advancing dual–use digital technologies, such as AI, quantum computing and semiconductors.
7. The report highlights also urgent societal challenges linked to digitalisation in the EU. While technology advances, digital transformation has intensified vulnerabilities and inequalities, especially affecting minors and mental health. A major concern is information integrity, with 88% of Europeans expressing concern about fake news and online manipulation, and 90% seeing the protection of children online as a critical priority. These risks, amplified by AI and online platforms, threaten to undermine democratic integrity, deepen societal polarisation and erode public trust.

Halfway the Digital Decade, the time to act is now. 2025 will be a pivotal year to accelerate actions to tackle key challenges and boost the EU's digital transformation. By achieving the Digital Decade's targets and objectives, the EU can unlock substantial economic gains, estimated to up 1.8% of its GDP, safeguard its sovereignty, and ensure its citizens are protected and able to fully benefit from the deployment of digital technologies.

Keep building the EU's sovereignty and digital future

The report outlines specific recommended actions to achieve the targets and objectives of the Digital Decade:

- **further investment** from public and private sources and improved access to venture capital for EU companies to enhance innovation and expand strategic technologies. Targeted investments in critical areas — such as advanced connectivity infrastructure, cutting-edge

semiconductors, secure and sovereign cloud and data infrastructures, AI and quantum computing, cybersecurity, and digital skill development — should be privileged, as they are poised to yield significant returns in growth and productivity.

- **structural reforms** in the EU to bolster and integrate its single market, ensuring technological and economic sovereignty. These reforms aim to enhance the sovereignty and security of EU technologies and infrastructures, particularly in the realms of connectivity and public service delivery. The EU is actively pursuing these goals through upcoming measures such as the Digital Networks Act, the Quantum Strategy, and the Cloud and AI Development Act.
- **simplification** and reducing administrative burdens for EU companies, bringing forward the Omnibus packages and initiatives such as the EU Business Wallets, which will reduce unnecessary complexities, creating a more innovative and competitive environment within the EU.