Building European Technology Sovereignty for Democratic Resilience

The Congress of the Alliance of Liberals and Democrats for Europe (ALDE) Party convening in Vienna, Austria, on 3-4 of July 2026:

Notes that:

- Europe's dependence on non-European digital infrastructure creates strategic vulnerabilities;
- extraterritorial legislation such as the US CLOUD Act, FISA and the Patriot Act may expose sensitive European public-sector data to third-country access;
- increasing geopolitical fragmentation requires Europe to secure critical technological capabilities;
- monopoly dependence weakens competition, innovation, and democratic resilience;
- Europe already possesses world-leading industrial champions in semiconductors, optics, telecommunications and industrial technology, but lacks the capacity to produce processors and chipsets on a sufficient scale;
- liberal democracies must ensure technological openness without dependencies in strategic sectors;
- technological sovereignty must strengthen the Single Market and avoid fragmentation into 27 incompatible national systems, including through stronger involvement of local and regional authorities managing critical digital public services and infrastructure;
- the productivity gap between Europe and the United States has increased by nine percentage points since 2019, reflecting not only a technological lag but a systemic inability to transform European savings into scalable innovation;
- public investment in AI in 2025 remains dramatically asymmetric: the United States commits an estimated €25-30 billion and China €56 billion in federal and state programmes, while EU-level investment through Horizon and Digital Europe remains below €2 billion, with resources further diluted through fragmented project funding at an average of €6-8 million per generative AI project.

Believes that:

- technology sovereignty should strengthen the European Single Market;
- Europe should remain open to trade and innovation while reducing critical dependencies;
- open-source software, interoperability, and open standards are essential liberal tools against monopolistic lock-in;
- strategic autonomy is compatible with competition, innovation, and fundamental rights;
- European answers to market concentration lie in rigorous enforcement of the Digital Markets Act against gatekeepers and in investment in shared infrastructure and public goods – not in subsidies for individual national champions; strategic autonomy is built through diversified, competitive markets, not through industrial policy that picks winners;
- European taxpayers' money should, wherever possible and proportionate, reinforce European technological capabilities and resilience;
- measures aimed at increasing Europe's digital sovereignty should not negatively affect the quality of digital products for consumers or create excessive bureaucracy;
- facilitating European strength in research, including by increasing the budget for Horizon Europe, is essential for the development of European technology;
- the fragmentation of individual negotiations by European companies with major non-European

technology providers systematically weakens European bargaining power. A coordinated European approach to engagement with major technology platforms, ensuring European partners play a substantive role in technology governance rather than acting merely as passive buyers, is preferable to having 27 member states and individual companies negotiating separately.

Calls for:

Sovereign Cloud and Public Digital Infrastructure:

- the EU and European governments to prioritise European cloud providers for public-sector and critical infrastructure procurement, and to develop common European procurement standards for sovereign cloud services;
- the EU and European governments to create the competitive environment necessary, including through sufficient energy at competitive prices, tax incentives for private investment in cloud and AI infrastructure, low regulatory and bureaucratic burdens and modern and flexible labour laws that support innovative companies to scale-up;
- sensitive public-sector data to be stored and processed under European jurisdiction;
- a reduction of dependency on hyperscalers subject to extraterritorial legislation.

European Software Sovereignty and Open Source:

- incentivising and coordinating a transition towards European and open-source software solutions in public administration, schools, hospitals and municipalities;
- the educational path to be built in a way that encourages the use of open source software;
- Europe-wide interoperability standards to prevent fragmentation between Member States;
- scaling of successful local and regional open-source transitions across Europe;
- Investment in European alternatives for office software, communication tools and operating systems;
- strengthening the cybersecurity and digital resilience capacities of local and regional administrations, which increasingly operate essential public infrastructure;
- open-source procurement criteria in public tenders.

European Payments Sovereignty:

- support for the development of a universal European instant-payment ecosystem building on SEPA;
- a reduced dependence on non-European payment gatekeepers, drawing lessons from successful real-time payment systems such as India's UPI and Brazil's Pix;
- incentives for merchants to offer European payment systems;
- European payment infrastructure to be hosted and processed within Europe.

AI, Data and Strategic Digital Systems:

- investment in European AI infrastructure, data analytics and integration platforms;
- targeted support for European SMEs and startups developing strategic digital technologies, AI applications, cybersecurity solutions and open digital infrastructure;
- the creation of a European Tech Race Fund, where the EU identifies key areas in which Europe needs to reduce its dependencies and teams of businesses, research institutes and the public sector compete for starting capital;
- better enabling conditions for European strategic data systems used by governments and critical services;

- secure European data spaces for healthcare, mobility, defence and public administration;
- procurement criteria favouring secure and transparent AI systems developed under European legal standards;
- enabling local and regional authorities to deploy interoperable and trustworthy AI and digital public services;
- completion of the savings and investments union and further simplification of the digital rulebook to allow homegrown AI to flourish.

Telecommunications and Critical Infrastructure Security:

- assessment of security risks for telecommunications providers and critical digital infrastructure;
- strengthened coordinated European cybersecurity certification mechanisms;
- an assessment of systemic risks posed by suppliers subject to authoritarian state influence;
- the prevention of sensitive public and critical infrastructure data from being transferred to hostile third-country jurisdictions.

Energy Technology Sovereignty:

- a European assessment of security risks linked to remotely controllable components in renewable energy infrastructure;
- incentives for European manufacturing of strategic energy technologies including solar inverters, grid software and smart-grid components;
- cybersecurity-by-design requirements for energy infrastructure connected to European grids.

Sovereign Mobility and Connected Transport:

- security certification requirements for connected public transport systems;
- European production and auditing standards for strategically sensitive transport technologies;
- protection against remote interference or shutdown capabilities in critical mobility infrastructure.

Semiconductors and Industrial Capacity:

- full implementation and expansion of the European Chips Act;
- strategic investment in semiconductor manufacturing, optics and lithography;
- leveraging Europe’s industrial strengths in companies such as ASML and ZEISS;
- coordinated industrial policy to ensure resilient semiconductor supply chains.

European Defence Technology Sovereignty:

- a genuine European defence market with reduced fragmentation in procurement;
- joint European development of next-generation defence technologies;
- European strategic capabilities in air defence, missile systems and advanced combat aviation;
- reducing dependence on external political approval for critical defence systems and spare parts;
- greater interoperability and increased use of joint procurements in defence purchases among European democracies.

Digital Rights and Democratic Resilience:

- no measure taken in the name of technological sovereignty to compromise end-to-end encryption, mandate client-side scanning, or extend mass surveillance; the Congress reiterates its rejection of EU Chat Control in any form;

- constant and strong investment in digital literacy for citizens of all ages;ensuring platform accountability, and adequate safeguards against algorithmic manipulation of democratic processes as foundations of democratic resilience;
- The EU to ensure democratic accountability and maintain the ability to legislate and uncompromisingly enforce those laws, particularly in the field of digital field, including the GDPR, DSA, and DMA, despite external pressure and interference.