European Commission

CALL FOR EVIDENCE
FOR AN INITIATIVE (without an impact assessment)

This document aims to inform the public and stakeholders about the Commission's work, so they can provide feedback and participate effectively in consultation activities.

We ask these groups to provide views on the Commission's understanding of the problem and possible solutions, and to give us any relevant information they may have.

⚠ You should **finalise this document at the earliest stages of the preparatory process**, so that best use can be made of feedback from stakeholders.

TITLE OF THE INITIATIVE	Apply AI strategy
LEAD DG – RESPONSIBLE UNIT	Directorate-General for Communications Networks, Content and Technology / Unit A4 for Artificial Intelligence Innovation and Policy Coordination
LIKELY TYPE OF INITIATIVE	Communication to boost new industrial uses of artificial intelligence (AI) and improve the delivery of public services, thereby fostering innovation and competitiveness
INDICATIVE TIMING	Q3 2025
ADDITIONAL INFORMATION	-

This document is for information purposes only. It does not prejudge the final decision of the Commission on whether this initiative will be pursued or on its final content. All elements of the initiative described by this document, including its timing, are subject to change.

A. Political context, problem definition and subsidiarity check

Political context [max 10 lines]

Following up on President von der Leyen's political guidelines, the Apply AI strategy, which should be published in Q3 2025, will serve as a blueprint for the adoption of AI in EU strategic sectors to strengthen the Commission's ambition to make Europe an 'AI continent'.

The Apply AI strategy will build on several policy foundations, such as:

- the AI Act (the world's first AI regulation), which creates legal certainty for companies in the EU to use AI and innovate with it;
- the two coordinated plans on AI and the AI continent action plan;
- the Communication on boosting startups and innovation in trustworthy AI, which introduces two initiatives (AI Factories and GenAI4EU) to help develop and deploy generative AI models and applications.

Problem the initiative aims to tackle [max 25 lines]

The EU must enhance its competitiveness and AI is increasingly critical in achieving this goal. AI drives productivity gains through automation, optimisation and improved decision-making, thereby increasing efficiency and enabling new types of products, services and business models. AI and generative AI (GenAI) have the potential to drive productivity gains on an unprecedented scale, thereby transforming workflows across industries and sectors. By 2030, the net impact of AI on the EU economy is expected to reach EUR 3.4 trillion (2023 Report on the state of the Digital Decade). Yet, the EU faces **several challenges** that require a strategic approach to foster AI-driven innovation.

- **Most developments in AI are currently taking place in non-EU countries**, which are making substantial investments, driven mostly by large tech corporations. Falling behind in AI development capabilities could weaken European economic sectors that have traditionally been a source of comparative advantage.
- **Dependence on foreign technology** creates vulnerabilities in strategic sectors, potentially limiting the EU's ability to set its own standards and protect its values. The EU has demonstrated a strong commitment to lead in trustworthy and excellent AI, culminating in the adoption of the world's first AI

regulation, the AI Act. However, greater efforts are needed to secure technological sovereignty and innovation capacity.
- Many **companies in the EU, especially mid-caps and SMEs, struggle with AI adoption**. By 2024, only 13.5% of companies in the EU had adopted AI technologies (Eurostat, 2024). Accelerating digital transformations and the uptake of AI across all sectors is essential to foster competitiveness and economic growth.
- There is **insufficient private investment in AI and only limited collaboration** on AI between larger corporations and smaller technology firms. These shortcomings hamper innovation, slow down the growth of emerging businesses and weaken the development of a dynamic and competitive tech sector.

Basis for EU action (legal basis and subsidiary check) [max 10 lines]

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Legal basis

Non-legislative communication, following up on the political guidelines of the President of the EU Commission and on the mission letter of the Executive Vice-President for Tech Sovereignty, Security and Democracy.

Practical need for EU action

This EU action is justified due to the cross-border nature of the problem (i.e. low AI-adoption rates in all EU Member States) and the fact that a purely national approach would have a more limited impact and scale than an action targeting the entire EU single market.

B. What does the initiative aim to achieve and how [max 25 lines]

The strategy aims to boost new industrial uses of AI and improve the delivery of a variety of AI-supported public services. Ultimately, this means achieving the following main objectives:

1. fostering the **integration of AI technologies** in the EU's leading strategic industrial sectors;
2. unlocking the potential of **innovation** and enabling EU companies to be global AI front runners;
3. fostering the integration of AI solutions in the **public sector** to substantially improve the quality of services provided to the public.

The Apply AI strategy will focus on strategic 'verticals' (i.e. sectors) where EU know-how could contribute to further increasing productivity and competitiveness. The public sector and AI in science will also be addressed, given their major impact on the productivity of EU industries and on overall societal benefits.

As the EU's overarching AI strategy, the Apply AI strategy will be linked with the Communication on AI in Science, which will be adopted at the same time. That Communication will, in particular, promote the fast and responsible adoption of AI technologies by scientists across the EU. It will address different policy dimensions, such as: (i) coordinating with Member States; (ii) adapting funding instruments; (iii) facilitating scientists' access to infrastructure; and (iv) developing communities around the use of AI in the different scientific domains, etc. All of those policy dimensions will be aligned with the overarching objectives of the Apply AI strategy.

The Apply AI strategy will identify policy actions and specific deliverables per sector, with concrete ambitious milestones to be achieved in the coming three to five years. Among others, the Commission will help to support developments not only through its funding programmes and enablers (such as the AI factories and AI gigafactories), but also through data spaces, testing and experimentation facilities, European digital innovation hubs and skills academies, which will articulate in sectorial frameworks.

Likely impacts

Apart from AI's expected EUR 3.4 trillion economic impact by 2030 (the 2023 Report on the state of the Digital Decade), recent studies (e.g. the World Economic Forum's 2025 Future of Jobs Report) also demonstrate that AI (and, in particular, GenAI), is revolutionising the labour market. Thus, not only is more AI talent needed, but reskilling workers is also imperative because most workers will need new knowledge to deal with AI's increased penetration in their work. A similar impact can be seen across society, as GenAI becomes more common in daily life, offering numerous benefits for the public good.

By boosting AI adoption in key industries and in the public sector, the Apply AI strategy could have a positive impact through, for example, streamlining administrative processes, enhancing judicial efficiency and improving disease detection. Moreover, the strategy could complement the AI Act and support the development and use of

trustworthy, inclusive and human-centric AI in the EU, thereby helping to protect fundamental rights and EU values.

Future monitoring

To assess and monitor the results of the proposed initiative, the Commission will use not only existing monitoring resources related to current enablers (e.g. the European digital innovation hubs), but also upcoming EU instruments (e.g. the AI Office's AI observatory, the AI skills academy and the AI factories). The Commission will also use internal resources (e.g. the administrative agreement with the Joint Research Centre (JRC)) and could potentially contract external experts to conduct ad hoc studies. The Commission could also enter into contribution agreements with international organisations, such as the OECD, as it did for the coordinated plan on AI. At the same time, assessment and monitoring by Member States would help to cover the different sectors in question.

C. Better regulation

Impact assessment [max 10 lines]

An impact assessment is not required. The Apply AI strategy will take the form of a non-legislative Commission Communication.

Consultation strategy [max 10 lines]

The stakeholder consultation will have three main streams: 1) a public consultation (this call for evidence and a public survey) to gather a wide range of views and specific contributions from representatives of different parts of the EU economy and society; 2) structured dialogues to deepen the understanding of the potential and the challenges of adopting AI in specific sectors; and 3) consultations of EU Member States on implementing AI in their public administrations, as well as feedback on their priorities.

Why we are consulting?

Through this consultation, the Commission would like to gather feedback that will inform the drafting of the future Apply AI strategy.

Target audience

The consultation aims to gather the views of all stakeholders.