

# THE COPENHAGEN PLEDGE

## **Taking Europe from Reaction to Action.**

The global world order is changing.  
Europe must be competitive, strong and secure.

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Europe is faced with geopolitical instability, systemic rivalry and growing security threats. Europe's future security and competitiveness depend on its ability to innovate and lead in next-generation technologies, allowing us to build a more resilient, secure, healthy, clean and digital future.

We encourage the **European Council, European Commission and European Parliament** to execute ambitious reforms that foster innovation, investments, technological infrastructure, a clean and just transition, and security.

Provided that the regulatory and financial environment in Europe is enhanced through commitments to industry, competitiveness, and innovation, European businesses are committed to investing more in Europe.

**28 leading European companies** present today, representing a total revenue of ~700 EURbn, have already indicated their support for the declaration. On average, these companies stand ready to increase investment levels<sup>1</sup> in Europe by ~50% towards 2030. They are **committed to investing more in Europe** over the coming years, with the declaration contributing to unlocking the additional potential needed to reach the full 50% increase towards 2030. This investment increase will thus only be realized in full if policy unlocks addressed by the declaration are implemented. If all large European companies<sup>2</sup> match this level of investment increase, Europe could be on track to close most of<sup>3</sup> the ~800 EURbn annual investment gap outlined by Draghi<sup>4</sup>.

## We call for targeted action from policy makers to deliver the necessary change:

### 1.

#### Unlock innovation, reduce the regulatory burden and remove barriers to the Single Market

- Europe must build a world-class research and innovation ecosystem – powered by a world-leading intellectual property framework, globally competitive approval processes and incentives for early access and uptake of innovation in Member States.
- Overregulation and Single Market barriers constitute an all too dominant obstacle to innovation and growth in Europe. Immediate action is needed to change status quo.
- The Commission's regulatory burden reduction targets must be met as soon as possible and within this term at the very latest. Existing legislation must be reduced meaningfully and simplified through an Omnibus approach in strategic sectors without compromising core objectives. New regulatory initiatives must embed a much stronger focus on burden reduction, and regulation should only respond to demonstrated needs.
- Overlapping rules must be eliminated, compliance streamlined, inconsistencies removed, administrative procedures fully digitalised, and qualifications mutually recognised properly across the Union.
- Remaining barriers in the Single Market must be removed to improve market launch, foster cross-border trade and strengthen opportunities for scale-up and investment by rewarding innovation. This includes addressing underinvestment in Member States' procurement of innovative products and services.

### 2.

#### Incentivise private investments in Europe to build strategic influence

- EU's Multiannual Financial Framework (MFF 2028–2034) must act as a non-bureaucratic catalyst for private capital, mobilizing investments in Europe's strategic technologies and sectors.
- The proposed European Competitiveness Fund and the Horizon Europe Programme must target industrial adoption and accelerate industrialization in Europe.
- A true European Savings and Investments Union should be established by 2030 to improve access to private capital markets and channel capital to key strategic investment areas. Reforms to national pension systems and tax policies should further encourage private capital flows into European markets.
- To close Europe's innovation gap, EU Member States must commit to investing at least 3% of GDP in research and innovation in shared responsibility with industry. This ambition must be matched by a significant increase in R&I funding in the MFF 2028–2034, with strong emphasis on scaling innovations across Europe.
- Joint European research and commercialization projects should be deployed to mobilize private investment in next-generation technologies. EU Investments should target large-scale innovation projects that are more cost-effective at the European level than for individual Member States, supported by incentives such as public procurement.

<sup>1</sup>A subset of these companies (20), investments defined as CAPEX and R&D.

<sup>2</sup>>250 employees and adjusted for size, sector and geography.

<sup>3</sup>Private share estimated to be 50-80%.

<sup>4</sup>Draghi's investment gap is 800 EURbn in 2025 nominal terms.

### 3.

#### **Power the future of Europe: Clean, competitive, and resilient energy for industrial leadership**

- Europe's electrification must be accelerated. This requires implementation through National Energy and Climate Plans (NECPs), significant upgrades to and expansion of energy grids, faster permitting procedures for infrastructure projects, removal of barriers to industrial electrification and derisking large-scale infrastructure projects. A well performing electricity market is key to a robust energy system and security of supply.
- To build a clean, affordable, and energy-efficient industrial foundation, Europe must strengthen the robustness of its energy systems by significantly increasing domestic clean energy production, while improving the competitiveness of renewable solutions and designing trusted partnerships.
- To accelerate the clean transition, the Clean Industrial Deal, the EU 2040 climate target and the post-2030 climate architecture must be designed and implemented to strengthen Europe's competitiveness and security. Decarbonisation must be cost-efficient with the emissions trading system (ETS) as a central mechanism. This should support a technology-neutral approach scaling all clean technologies towards lower dependency on imported fossil fuels and climate-neutrality in 2050, including effective carbon leakage protection.

### 4.

#### **Build a competitive and resilient defence industrial base**

- To strengthen Europe's defence industrial base, common production and acquisition through strategic orders of sufficient scope and volume of European designed defence products must be incentivised. This will foster a competitive and consolidated ecosystem that includes both large companies and SMEs.
- The path from decision to delivery must be shortened. This requires removing barriers to transnational industrial cooperation and simplifying and harmonizing certifications, permits, and standards.

- Full use of EU financial instruments must be fully utilised to leverage private capital, ensure economic stability and attract long-term investment, which Europe can channel into the development of innovative defence capabilities.
- The cooperation between Ukrainian defence companies and the European industrial base should be intensified

### 5.

#### **Advance Europe's technological resilience**

- Industrial and technological resilience must be reinforced by accelerating deployment and fostering lead markets for European clean and green technologies, AI and quantum technologies as well as next-generation innovations, while safeguarding open markets, fair competition, and diversified global supply chains
- Strategic dependencies must be reduced by investing in secure and sustainable technological ecosystems and strengthening Europe's capacity to scale innovations from research to market.
- The deployment of critical digital infrastructure, including 5G and 6G networks, must be accelerated to underpin advanced connectivity and enable next-generation digital services.

