To the Members of the Governing Board of the EuroHPC Joint Undertaking
and the European Commission, DG CONNECT

Ensuring European Sovereignty in the AI Gigafactory Selection Process

Dear Members of the Governing Board,

The European AI Forum (EAIF), representing over 3,000 AI companies born and raised across Europe, wishes to express its position on the upcoming selection process for AI Gigafactories under the amended EuroHPC Regulation.

We fully support the establishment of AI Gigafactories as critical infrastructure for Europe's industrial sovereignty and future competitiveness. Their objective — ensuring that European businesses, research institutions and startups are not solely dependent on non-EU technology providers — is one we share wholeheartedly.

However, we believe that this objective can only be achieved if the procurement process is designed with robust safeguards from the outset. We therefore respectfully submit the following recommendations.

I. Safeguarding Technological Sovereignty in Consortium Composition

SOVEREIGNTY

The amended EuroHPC Regulation provides a clear legal basis for restricting or excluding non-EU entities from AI Gigafactory consortia where their participation would be contrary to the Union's strategic assets, interests, autonomy or security.

> Article 12b(3), EuroHPC Regulation (amended): "Participation in an AI gigafactory Consortium of legal entities from non-Participating States shall be subject to restrictions or exclusion where such participation is considered contrary to the Union's strategic assets, interests, autonomy or security."

> **Recommendation:** We urge the EuroHPC Joint Undertaking to apply this safeguard rigorously in the upcoming call. Specifically, we recommend that the selection criteria include a mandatory assessment of whether the involvement of non-European hyperscale cloud and computing providers in any consortium would create structural dependencies that undermine the sovereignty objectives of the programme. Consortia in which such providers hold a dominant or controlling position should not be eligible for selection.

II. Prioritising European Access to Sovereign Computing Capacity

SOVEREIGNTY

AI Gigafactories are co-financed by Member States and the European Union with the explicit purpose of strengthening European competitiveness. It would be inconsistent with this objective if publicly funded computing capacity were made available to non-European entities — in particular to the very hyperscale providers whose market dominance the initiative seeks to counterbalance.

Recommendation: The access framework for AI Gigafactories should establish a clear prioritisation regime that reserves computing capacity for European entities — with priority access for startups, SMEs and research institutions established in the EU. Any allocation of capacity to non-EU entities should be subject to prior approval and strictly limited to cases where it demonstrably serves European strategic interests.

III. Enabling Flexible National Financing Models

FUNDING

The requirement for Member States to commit substantial financial contributions within the tight timelines of the current call poses a significant challenge, particularly for countries whose 2026 budgets have already been adopted. A rigid financing model risks reducing the number of participating Member States and thus undermining the pan-European character of the initiative.

Recommendation: Member States should be afforded flexibility in structuring their financial contributions, including the option to disburse funds in line with construction milestones, commercialisation progress, or phased investment schedules — as is standard practice in comparable large-scale infrastructure projects. This flexibility would significantly broaden participation and reduce financial risk.

IV. Aligning RRF Timelines with Gigafactory Deployment

FUNDING

Several Member States intend to leverage Recovery and Resilience Facility (RRF) funds for their national contributions. However, the current RRF framework requires funds to be contracted by June 2026 and disbursed by August 2026 — an extremely narrow window that is incompatible with the legal, financial and technical complexity of establishing AI Gigafactories.

> **Recommendation:** We call on the European Commission to explore all available options — including a targeted amendment or flexible interpretation of the RRF Regulation — to ensure that Member States wishing to channel RRF resources into AI Gigafactory projects are not excluded by procedural timelines. Failing to address this issue risks significantly limiting the scale and ambition of the programme.

Conclusion

The AI Gigafactory initiative represents a once-in-a-generation opportunity to establish Europe as a sovereign force in AI infrastructure. We strongly support its objectives and are committed to contributing to its success.

However, the credibility of this initiative depends on ensuring that the procurement process genuinely reflects its sovereignty ambitions. If non-European hyperscalers are permitted to dominate the consortia that build and operate these facilities, or if publicly funded computing capacity flows back to those same providers, Europe will have invested billions in reinforcing the very dependencies it set out to overcome.

We stand ready to engage in further dialogue and to support the EuroHPC Joint Undertaking and the European Commission in designing a selection process that delivers on the promise of a truly European AI infrastructure.

Respectfully submitted,

The European AI Forum (EAIF)

On behalf of the EAIF Governing Board

> **About the European AI Forum**
> The European AI Forum (EAIF) is a non-profit organisation representing more than 3,000 AI entrepreneurs born and raised across Europe. We serve as a platform where entrepreneurs and policymakers jointly determine the path forward for European AI innovation.
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> **Member organisations:** CroAI (Croatia), Hub France IA (France), KI Bundesverband (Germany), AI Austria (Austria), AI Cluster Bulgaria (Bulgaria), Dutch AI Coalition (Netherlands), Digitalpoland Foundation (Poland), Artificial Intelligence Association of Lithuania (Lithuania), AI Sweden (Sweden), Czech Association of Artificial Intelligence (Czechia).
> **Associate organisations:** Albanian Center for Artificial Intelligence (Albania), Georgia Artificial Intelligence Association (Georgia), AI Serbia (Serbia).