

Market Intelligence Briefing

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**Digest of the AI
*Continent Action
Plan***

**A Communication
from the European
Commission**

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Policy Watch



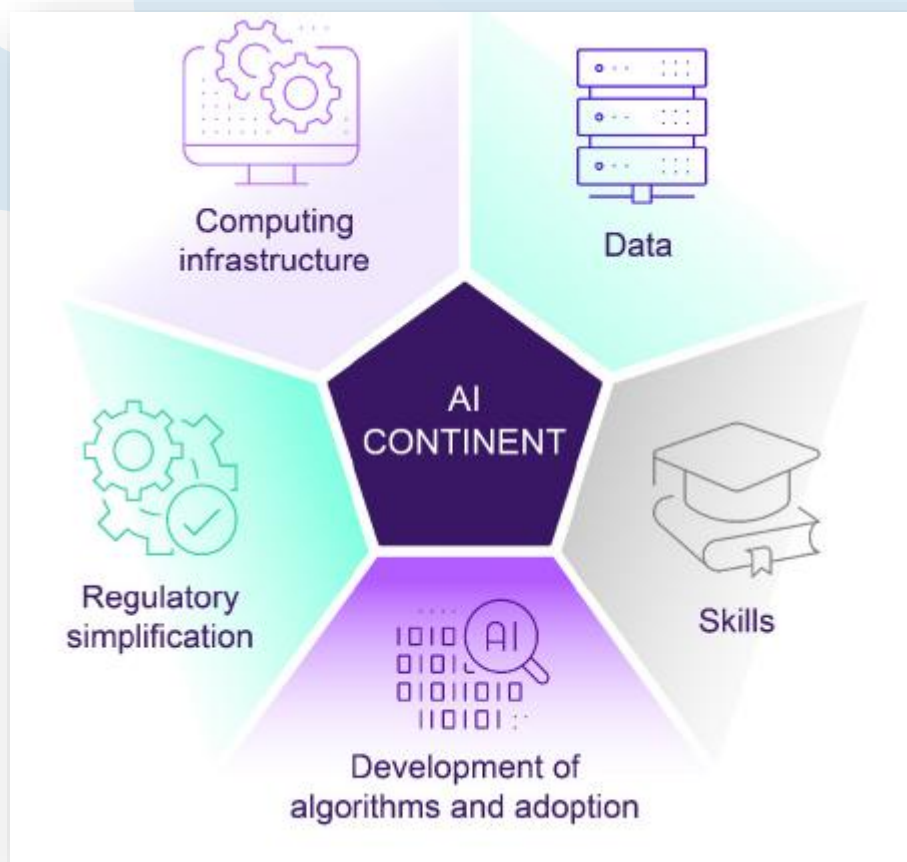
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European Commission The “AI Continent Action Plan”

Context

Published on **9 April 2025** under reference [COM\(2025\) 165 final](#), the **AI Continent Action Plan** is the European Commission’s flagship initiative to position the EU as a **global leader in artificial intelligence**. Framed within the broader [competitiveness agenda](#), the plan responds to accelerating global AI competition and aims to mobilize **Europe’s collective resources** to drive technological sovereignty and economic transformation. It outlines over **€4 billion** in combined **public and private investments**, focusing on key pillars: **high-performance computing infrastructure, access to data, deployment in strategic sectors, talent development, and regulatory support**. The plan targets critical parts of the EU economy—**healthcare, energy, manufacturing, public services, digital infrastructure, and scientific research**—to catalyze the responsible uptake of trustworthy AI. For Luxembourg, this action plan unlocks new strategic opportunities in **funding, partnerships, and ecosystem building**—ensuring national stakeholders can lead and benefit from Europe’s AI future.



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European Commission

The “AI Continent Action Plan”

Invest in Large-Scale AI Computing Infrastructure

Europe is scaling up its AI infrastructure to give **innovators access to world-class computing power**. This includes expanding supercomputing “**AI Factories**” across the EU, launching new **AI “Gigafactories”** as ultra-large computing hubs, and ensuring secure cloud capacity for critical AI applications. Significant public-private investments are planned, recognizing that computing power is fundamental for training advanced AI models and attracting top talent.

- [AI Factories Initiative](#) (launched early 2025) is a flagship European program establishing a network of supercomputing centers optimized for artificial intelligence. Building on the [2024 AI Innovation Package](#), the initiative selected 13 AI Factories across 17 EU countries to serve as hubs for data access, training infrastructure, and expert collaboration. With a planned investment of **€10 billion by 2027**, these facilities offer **SMEs, startups, and researchers** access to cutting-edge computing resources needed to develop large-scale, trustworthy AI models.
- [AI Gigafactories & InvestAI Facility](#) (Call launched April 2025; Selection expected Q4 2025) represent the **next phase in Europe’s AI infrastructure** scale-up, aiming to establish up to five ultra-large compute hubs inspired by CERN-level ambition. Initiated through a public-private partnership model, the call for Expressions of Interest was launched alongside the AI Continent Action Plan. [These Gigafactories](#) will be backed by the **InvestAI Facility**, developed in collaboration with the **European Investment Bank**, with the goal of mobilizing approximately **€20 billion** in funding. Once operational, they will significantly boost Europe’s capacity to train and deploy “moonshot” AI models in sectors such as **healthcare, robotics, and climate tech**.
- [The Cloud and AI Development Act](#) (Public Consultation launched in April 2025, results expected on Q4 2025): This initiative is an EU legislation to ensure highly secure, EU-based cloud capacity for sensitive AI use-cases and to create a common European marketplace for cloud/AI services. This Act will bolster the trusted cloud infrastructure needed for AI, complementing Member State efforts (e.g. new IPCEI projects on AI and data infrastructure).
- [The Strategic Roadmap for AI in Energy](#) (2026): An EU roadmap to accelerate digitalization and AI adoption in the energy sector, enhancing efficiency and grid management. To be delivered in 2026. This will align AI infrastructure efforts with the critical energy domain, ensuring AI helps drive Europe’s green and digital transitions in tandem.

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Improve Access to Data for AI

High-quality data is essential for AI, and the EU is taking action to create a secure, interoperable **data ecosystem**. The upcoming Data Union Strategy will break down silos and promote trusted data sharing across sectors. Key initiatives like **AI Data Labs** and the **Alliance for Language Technologies** will give innovators—Luxembourg included—access to diverse, **compliant datasets** to train and **scale AI solutions** within a **European framework**.

- [The Data Union Strategy \(Expected Second Half of 2025\)](#): A new EU strategy to strengthen the data ecosystem by improving **interoperability** and access to datasets across sectors. Expected in H2 2025, it aims to make more public and private data available for AI training/innovation while simplifying the data governance landscape. The strategy will promote trust (with safeguards for privacy, security, and IP) and reduce regulatory complexity, aligning data policies with the needs of businesses and researchers.
- [AI Data Labs \(Rollout from 2025\)](#) are dedicated data hubs established as part of AI Factories to pool and share high-quality data for AI developers. Planned from 2025 onward as AI Factories roll out, these Labs federate data from multiple sources (including **Common European Data Spaces** – e.g. [Digital Europe Programme 2025 - 2027](#)) and offer services like dataset curation, tools for interoperability, and secure data pooling. The goal is to turn fragmented data sources into a “data commons” for AI, enabling access to large volumes of sector-specific data (e.g. health, energy) under proper conditions.
- [The Alliance for Language Technologies \(ALT-EDIC\) \(Launched March 2025\)](#) is a large-scale partnership launched by 17 Member States to aggregate multilingual language data for AI. This Alliance (a **European Digital Infrastructure Consortium**) is building a comprehensive repository of language resources to power European large language models, preserving linguistic diversity while boosting cross-border AI applications. By pooling language datasets from across Europe, [ALT-EDIC](#) will help break language barriers in the single market and support development of competitive EU language AI systems.

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Accelerate AI Adoption in Strategic Sectors (1/2)

The EU is launching **targeted strategies and investments** to spur AI deployment in key sectors (industry, public services, science, etc.). A forthcoming “**Apply AI**” Strategy (complemented by an “**AI in Science**” Strategy) will set out **concrete actions and KPIs** for AI uptake across the economy. Meanwhile, EU funding programs (Horizon Europe, Digital Europe) are being aligned to support AI and generative AI in areas like health, cybersecurity, energy and manufacturing. This section emphasizes public-private collaboration – including structured dialogues with industries and refocusing Digital Innovation Hubs – to ensure AI breakthroughs translate into widespread economic and societal benefits.

- [Apply AI Strategy](#) (Expected Q3 2025; Opening: 09 April 2025 - Closing: 04 June 2025) is an upcoming EU strategy for accelerating the development and use of AI in **industry** and **public services**. It will identify **sector-specific actions** and metrics to drive AI uptake. **Stakeholder consultation and Call for Evidence** launched 9 April 2025 to gather **input on priorities**, with the strategy expected to be adopted by Q3 2025. This strategy will work in **tandem with the AI Act** to provide a clear framework and incentives for AI adoption across the single market.
- [AI in Science Strategy](#) (Expected Q3 2025) is a parallel strategy focused on promoting **AI research and applications** in scientific domains (e.g. research labs, universities). The Commission is gathering **expert input via targeted consultations** in Q2 2025, aiming to adopt this strategy jointly with the Apply AI Strategy by Q3 2025. It will **address how AI can advance scientific discovery** and how to better integrate AI into EU R&D efforts.
- [Horizon Europe 2026–27](#) – **AI Work Programme (Expected Q4 2025)**: The EU’s **research & innovation funding for 2026–27** will heavily support AI. To be adopted Q4 2025, the Horizon Europe work programme **will boost development and deployment of AI** (including generative AI) in strategic sectors. This means increased R&I funding opportunities for projects in areas like healthcare AI, climate/energy AI, **advanced manufacturing**, etc., keeping the EU at the cutting edge of AI breakthroughs.

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Accelerate AI Adoption in Strategic Sectors (2/2)

- **The GenAI4EU Initiative (Planned Q1 2026)**: is a major funding push for **generative AI applications** via Horizon Europe and the Digital Europe Programme. Under GenAI4EU, the Commission will **launch targeted calls** in domains such as **health, cybersecurity, pharma, communications, aerospace, robotics, manufacturing, public sector and science**. These calls will mobilise close **to €700 million** in EU investments for trustworthy AI solutions in those fields. This initiative aims to capitalize on the latest AI (especially generative AI) advances and apply them to European priorities, ensuring home-grown innovations.
- **“RAISE” – European AI Research Council (2026)**: Resource for AI Science in Europe (RAISE) is a new concept to **support frontier AI research talent and “moonshot” projects**, analogous to a European AI research council. **A pilot phase is set for 2026**. RAISE will pool resources for top AI researchers, fostering a pipeline of scientific breakthroughs and ensuring Europe’s best AI scientists have support to pursue ambitious research (complementing existing European Research Council programs).
- **Structured Dialogues with Industry and Public Sector Stakeholders (Q2–Q3 2025)**: The Commission will engage **with industry leaders, SMEs, civil society and public authorities** to ensure that AI strategies reflect operational realities, market needs, and societal expectations. These dialogues aim to remove adoption barriers, strengthen demand-side pull, and align regulatory and funding frameworks with implementation capacity.
- **Refocusing European Digital Innovation Hubs (EDIHs) (From 2025 onward)**: The EDIH network will be reoriented to serve as regional platforms for AI adoption, offering practical services like training, testing, and matchmaking tailored to local businesses, especially SMEs. This shift will ensure that EU AI support reaches diverse territories and sectors.

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Strengthen AI Skills and Talent

Europe’s ability to lead in AI depends on its people. The Action Plan addresses **the EU’s AI talent gap by boosting education, training, and attraction of experts**. Plans include launching an **AI Skills Academy** to upskill the workforce and train new experts (with a focus on generative AI), increasing the number of AI graduates and PhDs, and facilitating international talent mobility. By investing in skills – from basic AI literacy to advanced research – the EU aims to cultivate a broad AI-savvy workforce and retain top talent in Europe.

- **[The AI Skills Academy](#) (Launch scheduled Q2 2025)** is a new EU “one-stop shop” for AI **education and training**, particularly in cutting-edge areas like generative AI. The Academy will **coordinate courses and resources** on AI skills for citizens and professionals. It will also **pilot innovative programs** – e.g. AI fellowship schemes to attract PhD candidates and researchers (including from abroad), an AI apprenticeship programme to train specialists on real-world projects, and even a certified **Generative AI-focused degree** in partnership with AI Factories. Through these offerings, the Academy will expand the pipeline of AI experts and practitioners in the EU.
- **[EU Talent Pool & Mobility Partnerships](#)** : The EU is developing tools to attract and **retain skilled AI professionals** from around the world. A key measure is the upcoming EU Talent Pool – an official platform to match third-country tech talent with EU opportunities – which the Commission urges to be operational as soon as possible. Additionally, by 2026 the Commission will open the first “**Multipurpose Legal Gateway**” offices in partner countries to streamline international labour mobility and skills exchanges in tech. Together with expanded **Talent Partnerships** with countries (**focusing on ICT skills**), these initiatives will help European companies and research institutions draw top AI talent globally and address acute skill shortages.
- **Upskilling the Broader Workforce**: To ensure widespread AI literacy, the Action Plan leverages existing networks like the [European Digital Innovation Hubs](#) to offer hands-on AI training for SMEs, mid-caps and public administrations. It also promotes basic **AI awareness** for all citizens (aligned with the [EU’s Digital Education initiatives](#) and the [Union of Skills agenda](#)). By 2030, the aim is to have a workforce continuously learning AI skills, so that Europe’s digital transition leaves no one behind. (For example, only 15% of workers have training in AI tools today, but an estimated 61% will need such skills in the coming years – a gap the plan seeks to close.)

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Foster Regulatory Compliance and Simplification

As the EU’s AI regulatory framework ([notably the AI Act](#)) comes into effect, the Commission is focused on making compliance straightforward, especially for startups and SMEs. The Action Plan emphasizes implementing the **new rules consistently across Europe**, providing support and guidance to AI developers, and exploring ways to streamline or adjust regulations if needed. By prioritizing effective enforcement and smart simplification, the EU aims to build trust in AI without stifling innovation.

- [EU AI Act Service Desk \(launch on July 2025\)](#) is dedicated support service to help companies and stakeholders navigate the requirements of the EU AI Act. Housed in the new EU AI Office, this one-stop service desk will launch by July 2025. It will provide practical guidance, templates, and expert answers on compliance questions, easing the burden on especially smaller AI developers to meet the EU’s safety and transparency standards.
- [Regulatory Simplification Feedback Process \(launched in April 2025\)](#): The Commission has initiated a process (as part of the **Apply AI Strategy** consultation) to identify stakeholders’ regulatory pain points and potential improvements to the AI Act. This consultation invites companies, researchers, and other stakeholders to share challenges in complying with the new rules and suggestions for simplification. The feedback will inform possible further measures or guidance to ensure the AI Act’s implementation is innovation-friendly. Notably, **the Commission will hold off on proposing any new AI legislation until the impact of the AI Act is evaluated**, focusing instead on helping stakeholders adapt to the existing rules

Conclusion

In summary, the **AI Continent Action Plan** sets out a **holistic approach** to bolster **Europe’s AI capacity and competitiveness**. It combines **investment, policy, and partnerships** to make the EU the “home” of cutting-edge AI – leveraging its single market, talent base, and value framework. For this vision to succeed, it calls for joint commitment across EU institutions, Member States, industry and academia. International cooperation is also key: the EU will work with like-minded partners to promote a human-centric and trustworthy AI globally. By swiftly implementing this action plan, Europe **seeks to act now to shape the future of AI** and secure its place as a leading “AI continent”, while benefiting economies and societies in Luxembourg and across the Union.

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