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Building Europe's AI Power - A joint contribution by Finland and Estonia

Investing in European AI capabilities and frontier models

Europe can compete at the frontier of artificial intelligence. To do so, we must create the conditions for investment at scale in European AI companies, frontier AI models and the infrastructure and talent that underpin them. Access to capital for development, growth and commercialisation is a central bottleneck. The EU should place these investment and financing conditions at the heart of Europe's AI agenda.

Our ambition must go beyond adoption of AI. Europe must also develop advanced AI and capture a greater share of the value it creates, turning innovation into productivity, globally competitive companies and high-value jobs. Strong technological and industrial capabilities are essential to our economic security. They also strengthen Europe's place at the table where the future of AI and its global governance are shaped.

Mobilise capital and enable European AI companies to scale

Europe needs a financing ecosystem that matches the ambitions of its most promising AI companies, including developers of frontier models. We must deepen the Capital Markets Union and be ambitious in implementing the Savings and Investments Union, mobilising European savings and deposits into equity and growth capital. Companies need access to financing from research and early development through successive stages of model development, commercialisation and global expansion.

Private investment should be the primary driver of Europe's AI growth, whereas EU and national public funding should crowd in private investment and support companies in moving towards higher value-added activities. Support should be allocated through open competition, guided by excellence, scalability, impact and market orientation. The priority is to make better use of available public resources to mobilise investment at scale.

A fully integrated Single Market and a clear, predictable and innovation-friendly regulatory environment are essential for companies to scale globally from a European base. Access to regulatory sandboxes and testing environments should help companies develop and deploy new solutions.

Connect investment in computing to frontier AI development

Computing capacity and model development must advance together. Investment in infrastructure should enable European researchers and companies to develop, train, adapt and deploy globally competitive sovereign frontier AI models as well as physical AI. Access to advanced computing capacity should be allocated on the basis of excellence through competitive processes, maximising its contribution to European innovation and technological leadership.

AI infrastructure must be developed as an integrated ecosystem encompassing computing capacity, connectivity, data and skills. Reliable, high-capacity communication networks connect these capabilities and enable their effective use across Europe. Open interfaces, data availability and interoperability should ensure that investments reinforce one another and support innovation across the Single Market.

Turn European research and AI capabilities into economic value

Sustained investment in excellent research, innovation and skills must underpin Europe's AI ambitions. Europe's challenge is to turn research and technological breakthroughs into products, scalable companies and widespread deployment. Therefore, we should strengthen the links between research, computing infrastructure, industry and growth financing, and accelerate the commercialisation of research-based innovations. AI research,

data infrastructures and the combined use of high-performance and quantum computing can reinforce Europe's capacity to develop new capabilities.
Investment in AI development must translate into wider deployment, productivity gains and practical capability across the economy and public sector. We should build on Europe's strategic and industrial strengths, ensuring that SMEs and small mid-caps also benefit. The EU's competitiveness can be further strengthened through developing linguistic diversity and cultural understanding within the AI models, focusing on strengthening our excellence. Skills development, testing and experimentation environments and interoperable services are essential to turn technological capabilities into widespread economic value.

Build the capabilities to shape global AI governance
Developing advanced AI and governing it responsibly are mutually reinforcing objectives. Europe's ability to shape global rules and standards will be stronger if it contributes competitive models, research and technological capabilities. Investment in European frontier AI should therefore be understood both as an economic priority and as a foundation for Europe's influence on the future of AI.
As AI systems become more capable and autonomous, Europe needs independent capacity to evaluate the most advanced models and their safety and security risks. We should build a robust European evaluation ecosystem, independent of the providers concerned, and establish EU-level arrangements for responding to serious AI incidents. AI systems should be transparent, auditable and accountable, while respecting cybersecurity, data protection, intellectual property and fundamental rights.
Europe must also reduce critical technological dependencies where disruption would leave no credible alternatives. We should strengthen European capabilities through an open, risk-based and technology-neutral approach, supported by trusted and resilient infrastructure and partnerships with like-minded countries. Europe should proactively shape common global standards with broad international uptake.

We invite the Commission, working with Member States, to prioritise the financing and investment conditions needed for European AI companies and frontier models to scale, connecting capital, computing capacity and research with commercial development and deployment. This should go hand in hand with strengthening Europe's independent evaluation capacity and its role in international AI governance.

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