

The Integration Question in Europe's Digital Sovereignty Debate

Why digital sovereignty pursued as control risks deepening the fragmentation Europe was built to overcome.

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The debate around Europe's digital sovereignty often unfolds as if it exists separately from the European project itself: as a technical or geopolitical discussion about cloud infrastructure, artificial intelligence, semiconductors, cybersecurity, or dependency on foreign technology providers. But in reality, the questions Europe is now confronting in the digital realm are deeply connected to one of the oldest ambitions of European integration: the creation of a genuinely unified market capable of generating both prosperity and political stability across the continent.

A prime example of this disconnect is the "Tech Sovereignty Package", which was just released by the European Commission; it largely bypasses the critical issue of market integration, a blind spot that could introduce significant complications. For instance, the recently unveiled proposal mandates that EU member states evaluate potential vulnerabilities in the accessibility and availability of their public administrations. Furthermore, it obligates them to develop individual national strategies to transition their data to cloud services that comply with four newly standardised EU "assurance levels." By focusing heavily on these national compliance mandates rather than collective cohesion, the proposal risks exacerbating the very policy fragmentation Europe has spent decades fighting.

The origins of the European single market were never purely economic. In the decades following the Second World War, European integration emerged from the recognition that fragmentation carried both economic and political risks. National borders inside Europe did not merely divide territory; they created duplicative regulations, industrial inefficiencies, competing standards, and barriers to scale that weakened Europe collectively at a

time when global economic power was increasingly concentrating elsewhere.

The early architects of European integration understood something fundamental: no individual European state, however historically powerful, could compete effectively on its own in an increasingly interconnected global economy. The answer was not to erase national sovereignty altogether, but to pool aspects of it in ways that reduced friction across borders. The single market became the mechanism through which Europe attempted to transform fragmentation into collective scale.

This was not simply about tariffs. It was about interoperability before the term became fashionable. Common standards, mutual recognition frameworks, harmonised rules, and the free movement of goods, services, capital, and people were all designed to solve the same structural problem: how to allow diverse national systems to function as one economic space without fully dissolving political differences between states.

That vision remains unfinished.



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While Europe succeeded in creating one of the world's largest integrated markets for goods, the digital economy has remained stubbornly fragmented. Telecommunications markets remain divided; national procurement rules differ; data governance regimes proliferate; compliance obligations overlap; cybersecurity certification schemes multiply; and regulatory implementation diverges across member states. Even today, a European startup can often

scale more easily into the United States than across the European Union itself.

It is against this backdrop that the debate over digital sovereignty has emerged.

The sovereignty shift

The discussion itself is neither irrational nor unnecessary. Europe faces legitimate concerns about technological dependency, supply-chain vulnerabilities, concentration of digital power, geopolitical instability, and the strategic implications of relying heavily on foreign infrastructure providers. In a world where digital systems increasingly underpin economic activity, political communication, critical infrastructure, and national security, sovereignty questions are inevitable.

But what remains underexplored is how the structure of the digital sovereignty debate intersects with Europe's older and unresolved integration challenge.

Digital sovereignty was not conceived as a project to fix the deficiencies of the single market, nor should every sovereignty initiative be judged solely through that lens. The debate emerged primarily from concerns about resilience, strategic autonomy, industrial capacity, and Europe's position in a rapidly shifting technological order. Yet because digital infrastructure now sits at the centre of economic life, the way Europe pursues sovereignty will inevitably shape the future of European integration itself.

And this is where the tension becomes increasingly visible.

Much of the current sovereignty conversation risks becoming organised around layers of certification requirements, industrial preferences, localisation pressures, sector-specific governance regimes, and competing national approaches to technological "trust." In this framing, sovereignty becomes associated primarily with control: European clouds, European infrastructures, European industrial champions, European technological stacks.

Some of these efforts may indeed strengthen resilience. But pursued without equal emphasis on integration and interoperability, they also risk reinforcing the very fragmentation that Europe originally sought to overcome.

The paradox is subtle but important. Europe was built on the idea that reducing internal friction creates collective strength; yet parts of the digital sovereignty debate risk introducing new forms of friction into an already fragmented ecosystem. Additional compliance layers, divergent national implementations, overlapping supervisory frameworks, and territorially oriented digital policies may

ultimately burden the very European firms policymakers hope to strengthen.

This is particularly dangerous because Europe's central digital weakness is not simply dependence on external actors. It is the inability to generate scale internally. The United States benefits from a large and relatively seamless domestic market. China combines scale with centralised industrial coordination. Europe, by contrast, often attempts to compete globally while remaining internally fragmented. If sovereignty measures deepen that fragmentation, Europe may inadvertently weaken its own competitiveness in the name of strengthening autonomy.



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The danger, then, is not that Europe is talking about sovereignty. The danger is that sovereignty could gradually evolve into a bureaucratic architecture that weakens Europe's ability to function as a coherent digital market. This is why Europe may need to rethink digital sovereignty less as control through restriction and more as resilience through openness and interoperability.

Historically, Europe's greatest successes came not from building closed systems, but from constructing frameworks that allowed different systems to work together. The single market itself was fundamentally an exercise in coordinated openness. Europe did not eliminate national differences; it created mechanisms that allowed those differences to coexist within a larger integrated structure.

Applied to the digital realm, this would require a conceptual shift. The central question would no longer simply be who owns the infrastructure, but whether European actors can move across systems freely, securely, and without dependency lock-in. Sovereignty would be measured not only by territorial control, but by Europe's ability to preserve strategic flexibility, portability, and resilience across interconnected systems.

That would have practical implications.

PRACTICAL IMPLICATIONS

- 1 Interoperability would need to become the organising principle of European digital policy.** Europe has historically exercised influence through standards-setting, and this remains one of its greatest strengths. Rather than pursuing sovereignty primarily through national or regional technological enclosures, Europe should focus on ensuring that digital infrastructures remain portable, interoperable, and contestable. Cloud portability standards, interoperable digital identities, open APIs, common cybersecurity frameworks, and shared technical standards would reduce dependency without requiring Europe to isolate itself technologically.
- 2 Europe would need to focus far more aggressively on eliminating internal digital fragmentation.** This may ultimately matter more than many sovereignty initiatives currently under discussion. A true digital single market would require harmonised implementation of digital rules, simplified cross-border compliance regimes, more integrated telecommunications markets, and coordinated procurement frameworks that allow companies to scale across Europe as if operating within one jurisdiction rather than twenty-seven partially connected ones.
- 3 Procurement policy would need to evolve away from simplistic nationality-based preferences and toward interoperability- and transparency-based requirements.** The central issue should not merely be whether a provider is European or foreign, but whether systems are secure, auditable, portable, standards-based, and capable of avoiding structural lock-in. Otherwise, Europe risks replacing one form of dependency with another while reducing competition and innovation in the process.
- 4 Europe would need to treat open-source ecosystems as a strategic asset,** and to its credit, the Commission seems to wish to do just that in the “Tech Sovereignty Package”. Open-source technologies can reduce dependency, strengthen transparency, lower barriers to entry, and support interoperability without requiring Europe to build entirely closed sovereign stacks. In many ways, open-source infrastructure aligns more naturally with the original logic of European integration than heavily territorial approaches to digital sovereignty.
- 5 Europe would need to recognise that sovereignty in the digital age cannot be achieved purely through inward-looking policies.** Strategic resilience increasingly depends on trusted networks and alliances. Cooperation with like-minded partners on standards, cybersecurity, AI governance, semiconductor supply chains, and digital infrastructure can strengthen Europe’s autonomy more effectively than attempts at technological self-sufficiency that Europe may not realistically be able to sustain alone.

Naturally, underlying all of this is a broader political question about the nature of sovereignty itself.

For much of modern European history, sovereignty was understood in territorial terms: control over borders, infrastructure, industries, and national economic life. But digital systems do not function neatly within territorial boundaries. Power increasingly derives from networks, standards, interoperability, and the ability to shape rules across interconnected systems. In that environment, sovereignty cannot simply mean building walls around digital ecosystems. It must also mean preserving the ability to participate in open systems without becoming structurally dependent within them.

Europe therefore faces a choice. It can pursue a model of digital sovereignty that gradually layers additional bureaucracy, compliance obligations, certifications, and territorial restrictions onto an already fragmented market. Such an approach may create the appearance of strategic control while ultimately weakening Europe’s capacity to innovate, scale, and compete globally. Or it can pursue a sovereignty model rooted in openness, interoperability, and integration, one that treats the reduction of internal fragmentation as a strategic objective equal to resilience itself.

The original promise of the European project was never about autarky but about integration as a source of strength. The digital sphere should not become the place where Europe forgets that lesson.