

Comments on the upcoming Apply AI Strategy by the Ministry of Digital Affairs (Denmark)

Denmark welcomes the Commissions overall strategic approach to advance the application and development of AI through a focus on reducing burdens, removing barriers to innovation and promoting investments – rather than making additional rules and requirements.

In this light, Denmark also welcomes the initiative to develop an Apply AI Strategy. Fostering further development and adoption of artificial intelligence (AI) in Europe has proven to be a challenge, with most developments of AI currently taking place in non-EU countries – underlining the need for action.

For us, the diagnosis is clear: Europe is not performing as we should in the global AI-race. The lack of investment, development and deployment of AI in Europe have hampered innovation and competitiveness. As a result, symptoms are starting to show, and there is a real risk that Europe falls behind in economic sectors that have traditionally been a competitive advantage, such as pharmaceuticals and energy.

To improve the development and uptake of AI solutions across the private and public sectors – and thereby improve competitiveness – the Apply AI Strategy should prioritise the following:

1. Effective implementation of the AI Act to create a Single Market for AI – including stop the clock;
2. An aligned and coherent regulatory framework for AI and data;
3. Start with proven use-cases and scale to foster AI uptake and development across sectors;
4. Simple funding programmes that support those who deploy and commercialise digital technologies;
5. Policy recommendations should be sector-specific, evidence-based and enable uptake through capacity, demand and strategic openness;
6. Make AI-initiatives and infrastructure more visible, accessible and coordinated to the users.

1. Effective implementation of the AI Act to create a Single Market for AI – including stop the clock

The Danish Government acknowledges the enormous effort of the European Commission and the co-legislators in adopting the AI Act. The Act creates the framework for a European single market for trustworthy AI systems, based on a targeted and risk-based approach imposing requirements on high-risk applications.

However, in order for the AI Act to improve the willingness to develop, provide, deploy and use AI systems in Europe, it must be implemented in a simple and harmonised manner that reduces complexity and administrative burdens – particularly for SMEs and public sector actors. In this context, establishing a service desk for the AI Regulation is seen as a relevant initiative. If not implemented in the least burdensome manner, there is a risk that European providers and deployers of AI systems will continue to be discouraged from investing in innovative AI solutions and bringing them to market, to the detriment of European competitiveness.

The Danish Government therefore supports the European Commission's intention to identify concrete measures to ensure smooth, streamlined and simple implementation of the AI Act across sectors. In particular, we propose that providers and deployers of AI systems are not met with unrealistic compliance timelines. Unless the harmonised standards are finalised and approved in due time, we believe the date of entry into force for obligations related to high-risk AI should be postponed, in order to give companies the time to adapt which was foreseen in the AI Act.

In line with the risk-based approach and to avoid double notifications we would recommend the Commission to reconsider if it is appropriate to classify any infringement of obligations under EU law intended to protect

fundamental rights as a “serious incident” under the AI Act. This is currently the case due to article 3.49.c. Infringements under such laws are already subject to appropriate sanctions under those laws, and imposing notification obligations for these under the AI Act in addition does not seem to significantly improve the level of protection. However, it is likely to lead to a significant number of notifications drawing resources and attention both in companies and authorities from handling actually serious incidents, such as those covered by the other litras in article 3.49. We would therefore recommend deleting litra c.

2. An aligned and coherent regulatory framework for AI and data

To ensure a well-functioning single market for the development and deployment of AI systems in Europe, implementation of the AI Act must be both consistent and predictable. One of the barriers for AI adoption stems from uncertainty regarding the interplay with other regulatory frameworks – most notably the GDPR.

Currently, AI systems are designed and developed in ways that raise legitimate concerns under the GDPR, particularly regarding transparency, purpose limitation and data minimisation. These concerns generate uncertainty among both developers and deployers, especially in the public sector, where legal risks are a key barrier to adoption.

We therefore see a strong need for clear and consistent guidelines on key concepts, the scope of relevant provisions, and complementarity of obligations – including risk assessments, data subject rights, redress mechanisms and appropriate safeguards. Such guidance would support providers and deployers in assessing how and when different provisions apply, and how they can comply in practice.

Denmark also sees value in exploring targeted improvements to the GDPR itself, such as considering implementing a minimum threshold when it comes to Article 13-15 of the GDPR, and better alignment with other legislative frameworks such as the AI Act and the Data Act. In this context, we refer to the Danish Government’s enclosed non-paper on Securing better conditions for companies to comply with the data protection rules handed over to Commissioners Michael McGrath and Henna Virkkunen on the 29th of April 2025.

We also support that the AI Office and the AI Board play a strong role in coordinating implementation and providing practical guidance and assistance to Member States and stakeholders.

3. Start with proven use-cases and scale to foster AI uptake and development across sectors

The Danish Government supports a bottom-up, use-case and mission-driven approach to fostering AI uptake and development. Start with mapping exercises and short-term pilot projects for promising use-cases before scaling into large mission-driven AI-projects, to develop the competences, data and infrastructure needed for AI. Concrete use-cases with significant potential in sectors, where Europe has not traditionally held a comparative advantage, should not be excluded. We recommend that the Commission takes a forward-looking, strategic perspective on which sectors hold the greatest potential for AI value creation – including green and digital transitions. In general, a market-based approach is beneficial.

The Danish Government also strongly supports the use of AI in public administration. Denmark has already gathered experience through the Danish Taskforce on Artificial Intelligence in the Public Sector. The taskforce has been tasked with establishing an ambitious, unified direction for the deployment of artificial intelligence across the public sector by identifying existing and emerging AI-solutions that can be implemented at scale. A key lesson from this work is that municipalities, regions and the research sector are close collaborators in the development and deployment of AI – and therefore should have the same possibilities as private

companies to access EU-funded infrastructure and the surrounding ecosystem. Public sector actors should be explicitly eligible and actively supported through relevant EU instruments. This would allow the public sector to further drive demand for trustworthy AI in the EU.

4. Simple funding programmes that support those who deploy and commercialise digital technologies

The EU must prioritise digital investments, especially in building AI infrastructure and supporting the real-world deployment of AI solutions. Denmark recognises the need to improve European conditions for development and uptake of AI in strategic sectors, including through the streamlining of funding instruments.

We therefore encourage the Commission to consolidate and simplify relevant funding programmes, with a particular focus on:

- making them more accessible to SMEs and public sector actors;
- increasing the availability of risk-sharing instruments (e.g. based on InvestEU experience);
- strengthening deployment-oriented support such as innovation vouchers or co-financing of (joint) procurement;
- coordinate mission-driven approaches to AI with the largest EU companies and academia, to foster European competitiveness on a greater scale.
- and ensuring alignment with existing enablers such as TEFs, EDIHs and AI Factories.

5. Policy recommendations should be sector-specific, evidence-based and enable uptake through capacity, demand and strategic openness

Denmark supports sector-specific action, but calls for it to be based on documented needs, aligned with best practices, and aimed at reducing burdens for providers and deployers. In general, Denmark seeks to minimise unnecessary obligations in order to fully realise the economic and societal potential of AI.

We also support the development of European High-Performance Computing infrastructure specialised for AI (AI Factories and AI Gigafactories). However, based on our experience with existing HPC infrastructure, we caution that many small and medium-sized enterprises may not be able to make full use of advanced compute resources unless they also have access to high-quality data, on-boarding support and practical tools. It may even be a challenge for a subset of the largest European companies to scale up on both data and AI.

Therefore, we encourage the Commission to consider how the wider AI ecosystem – including data spaces, testing and experimentation facilities, digital innovation hubs and skills academies – can support real world deployment and ensure equal access. Increasing supply alone is not enough. Public and private actors alike must be equipped to drive uptake; through demand-side incentives, procurement tools, organisational readiness and structured opportunities to test and scale solutions.

Finally, Denmark supports a pragmatic approach to digital sovereignty. Strengthening Europe's strategic capacity is essential, but should be pursued through openness, interoperability and legal safeguards – not rigid localisation or exclusion of trusted global providers. A resilient and competitive AI ecosystem requires both European capabilities and access to international technologies where risks are manageable.

6. Make AI-initiatives and infrastructure more visible, accessible and coordinated to the users

In addition to effective sectoral policies, Denmark considers TEFs, EDIHs, European data spaces, AI Factories and AI Gigafactories to be central initiatives for increasing the development and uptake of AI in Europe. It is

important to build on these infrastructure projects and ensure that they work in practice, rather than creating new parallel instruments.

However, these initiatives are not yet widely known in the business community. There is a need for a more simplified and coordinated approach across all the initiatives to collectively describe and communicate the available opportunities to companies – in order to increase demand and improve uptake. As part of this, we recommend stronger cooperation between the initiatives, such as by requiring EDIHs to refer clients to TEFs. Future EU calls should include such collaboration requirements, while ensuring that they are simple to implement and do not create unnecessary burdens.

Finally, there is currently no comprehensive overview of existing data spaces and the datasets available through them. It would be appropriate for this information to be made available on data.europa.eu. We recommend exploring incentives for data spaces to provide structured, up-to-date information via national data portals and data.europa.eu.

Conclusion

Denmark welcomes the Commission's initiative to develop an Apply AI Strategy focused on improving uptake and deployment of AI in Europe. To succeed, the Strategy should focus on reducing regulatory and administrative burdens, streamlining funding instruments, stimulating demand and ensuring broad and equal access to supporting infrastructure. The public sector must be fully included in these efforts. This should go hand in hand with strengthening Europe's strategic sovereignty in a way that maintains openness, interoperability and trusted access to global technologies.

We look forward to continued dialogue and close cooperation with the Commission and other Member States in taking this work forward.