FEDIL

Position - 02/03/2026

REBUILDING EUROPE'S DIGITAL COMPETITIVENESS THROUGH SMARTER REGULATION

Europe stands today at a defining crossroads in its digital transformation. Over the past years, companies across the Union have witnessed the emergence of an increasingly dense regulatory landscape, built layer after layer through the GDPR, NIS2, DORA, CER, eIDAS, CRA and, most recently, the AI Act. Each instrument responds to legitimate concerns: trust, transparency, cybersecurity, fundamental rights. Yet, their accumulation has created a patchwork of obligations, which makes it increasingly harder for organizations to navigate the global European regulatory landscape.

This fragmentation is now a structural impediment to innovation, competitiveness and investment. Instead of enabling digital transformation, Europe's regulatory framework too often diverts resources toward administrative and interpretative work, multiplying compliance risks and slowing down innovation and time to market for European technologies. For many organizations operating in Luxembourg and across Europe, especially those engaged in cross border activities, compliance with the digital acquis has become a highly complex matter given its architecture, thus requiring substantial legal, technical and organizational effort, an effort that is not proportionate to the risks addressed nor aligned with the pace of technological innovation. Luxembourg's industrial and digital sectors are eager for a regulatory environment that enables innovation, supports competitiveness, and provides legal clarity, without imposing unnecessary administrative burdens or stifling responsible growth.

FEDIL therefore calls upon the Government and the European institutions to globally review the Digital Omnibus with a view to abolishing bits and pieces of European regulations, particularly those that do not add value in terms of protection of the citizens of the EU. FEDIL stands ready, together with Business Europe, to take an active part in such review or overhaul.

Read the full position