Simpler EU digital rules and new digital wallets to save billions for businesses and boost innovation

Brussels, 19 November 2025

Europe's businesses, from factories to start-ups, will spend **less time on administrative work and compliance and more time innovating and scaling-up**, thanks to the **European Commission's new digital package**. This initiative opens opportunities for European companies to grow and to stay at the forefront of technology while at the same time promoting Europe's highest standards of fundamental rights, data protection, safety and fairness.

At its core, the package includes a **digital omnibus** that streamlines rules on artificial intelligence (AI), cybersecurity and data, complemented by a **Data Union Strategy** to unlock high-quality data for AI and **European Business Wallets** that will offer companies a single digital identity to simplify paperwork and make it much easier to do business across EU Member States.

The package aims to ease compliance with simplification efforts estimated to save up to €5 billion in administrative costs by 2029. Additionally, the European Business Wallets could unlock another €150 billion in savings for businesses each year.

1. Digital Omnibus

With today's digital omnibus, the Commission is proposing to simplify existing rules on Artificial Intelligence, cybersecurity, and data.

Innovation-friendly AI rules: Efficient implementation of the AI Act will have a positive impact on society, safety and fundamental rights. Guidance and support are essential for the roll-out of any new law, and this is no different for the AI Act.

The Commission proposes linking the entry into application of the rules governing high-risk AI systems to the availability of support tools, including the necessary standards.

The timeline for applying high-risk rules is adjusted to a maximum of 16 months, so the rules start applying once the Commission confirms the needed standards and support tools are available, giving companies support tools they need.

The Commission is also proposing targeted amendments to the AI Act that will:

- Extend certain simplifications that are granted to small and medium-sized enterprises (SMEs) to small mid cap companies (SMCs), including simplified technical documentation requirements, saving at least €225 million per year;
- Broaden compliance measures so more innovators can use regulatory sandboxes, including an EU-level sandbox from 2028 and more real-world testing, especially in core industries like the automotive;
- Reinforce the AI Office's powers and centralise oversight of AI systems built on general-purpose AI models, reducing governance fragmentation.

Simplifying cybersecurity reporting: The omnibus also introduces a single-entry point where companies can meet all incident-reporting obligations. Currently, companies must report cybersecurity incidents under several laws, including among others the NIS2 Directive, the General Data Protection Regulation (GDPR), and the Digital Operational Resilience Act (DORA). The interface will be developed with robust security safeguards and will undergo comprehensive testing to ensure its reliability and effectiveness.

An innovation-friendly privacy framework: Targeted amendments to the GDPR will harmonise, clarify and simplify certain rules to boost innovation and support compliance by organisations, while

keeping intact the core of the GDPR, maintaining the highest level of personal data protection.

Modernising cookie rules to improve users' experience online: The amendments will reduce the number of times **cookie banners** pop up and allow users to indicate their consent with **one-click** and save their cookie preferences through central settings of preferences in browsers and operating system.

Improving access to data: Today's digital package aims to improve access to data as a key driver of innovation. It simplifies data rules and makes them practical for consumers and businesses by:

- **Consolidating EU data rules through the Data Act**, merging four pieces of legislation into one for enhanced legal clarity;
- **Introducing targeted exemptions to some of the Data Act's cloud-switching rules** for SMEs and SMCs resulting in around €1.5 billion in one-off savings;
- **Offering new guidance on compliance with the Data Act** through model contractual terms for data access and use, and standard contractual clauses for cloud computing contracts;
- **Boosting European AI companies by unlocking access to high-quality and fresh datasets for AI**, strengthening the overall innovation potential of businesses across the EU.

2. Data Union Strategy

The new **Data Union Strategy** outlines additional measures to unlock more high-quality data for AI by expanding access, such as data labs. It puts in place a Data Act Legal Helpdesk, complementing further measures to support implementation of the Data Act. It also strengthens Europe's data sovereignty through a strategic approach to international data policy: anti-leakage toolbox, measures to protect sensitive non-personal data and guidelines to assess fair treatment of EU data abroad.

3. European Business Wallet

This proposal will provide European companies and public sector bodies with a unified digital tool, enabling them to digitalise operations and interactions that in many cases currently still need to be done in person. Businesses will be able to digitally sign, timestamp and seal documents; securely create, store and exchange verified documents; and communicate securely with other businesses or public administrations in their own and the other 26 Member States.

Scaling up a business in other Member States, paying taxes and communicating with public authorities will be easier than ever before in the EU. Assuming broad uptake, the European Business Wallets will allow European companies to reduce administrative processes and costs, thereby unlock up to €150 billion in savings for businesses each year.

Next Steps

The digital omnibus legislative proposals will now be submitted to the European Parliament and the Council for adoption. Today's proposals are a first step in the Commission's strategy to simplify and make more effective the EU's digital rulebook.

The Commission has today also launched the second step of the simplification agenda, with a wide consultation on the Digital Fitness Check open until 11 March 2026. The Fitness Check will 'stress test' how the rulebook delivers on its competitiveness objective, and examine the coherence and cumulative impact of the EU's digital rules.

Background

The Digital package marks the seventh omnibus proposal. The Commission set a course to simplify EU rules to make the EU economy more competitive and more prosperous by making business in the EU simpler, less costly and more efficient. The Commission has a clear target to deliver an unprecedented simplification effort by achieving at least 25% reduction in administrative burdens, and at least 35% for SMEs until the end of 2029.

For More Information

Digital omnibus on the digital acquis (Regulation)

Digital omnibus on AI (Regulation)

Staff Working Document accompanying the digital omnibus

European Business Wallet (Regulation)

Data Union Strategy (Communication)

Model Contractual Terms on data access and use and Standard Contractual Clauses on cloud computing contracts

Factsheet

Questions and answers

Digital Fitness Check (Consultation)

AI Act – Simplification proposal

European Business Wallet digibyte

An agile digital rulebook

Factpage Data Union Strategy

Factsheet European Business Wallet

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Quote(s):

"We have all the ingredients in the EU to succeed. We have talent, infrastructure, a large internal single market. But our companies, especially our start-ups and small businesses, are often held back by layers of rigid rules. By cutting red tape, simplifying EU laws, opening access to data and introducing a common European Business Wallet we are giving space for innovation to happen and to be marketed in Europe. This is being done in the European way: by making sure that fundamental rights of users remain fully protected."
Henna Virkkunen, Executive Vice-President for Tech Sovereignty, Security and Democracy - 19/11/2025

"Closing the innovation gap and cutting red tape are key drivers to boost the EU's productivity. Our Digital Omnibus seeks to do both. Today's proposal represents an important first step in our digital simplification agenda, aiming to create a more favourable business environment for European companies. A Digital Fitness Check also launched today, comprising wide public consultation, will guide our next steps. By simplifying rules, reducing administrative burdens, and introducing more flexible and proportionate rules, we will continue delivering on our commitment to give EU businesses more space to innovate and grow."
Valdis Dombrovskis, Commissioner for Economy and Productivity; Implementation and Simplification - 19/11/2025

"The objective of the targeted amendments to the General Data Protection Regulation (GDPR) is to maintain the effectiveness and integrity of this landmark regulation while also addressing stakeholder calls to clarify, simplify and harmonise the GDPR. It is essential that the European Union acts to deliver on simplification and competitiveness while also maintaining a high level of protection for the fundamental rights of individuals – and this is precisely the balance this package strikes."
Michael McGrath, Commissioner for Democracy, Justice, the Rule of Law and Consumer Protection - 19/11/2025

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Related media

Press conference by Henna Virkkunen, Executive Vice-President of the European Commission, Valdis Dombrovskis, and Michael McGrath, European Commissioners, on the digital simplification package