

A European Problem Requiring Immediate Action: Establishing a European IT Hardware Price Index

To: Cecilia Bonefeld-Dahl — Director-General, DIGITAL EUROPE

Cc: DG CONNECT · Eurostat · European Commission, DG GROW

Dear Director-General, dear colleagues,

We are writing to you on behalf of European IT integrators, SMEs and public-sector buyers to formally raise an issue that has now reached a scale requiring **immediate European action**: the structural and uncontrolled volatility in the price of critical IT hardware components across the single market.

In the past eighteen months, a 16 GB DDR5 module on EU spot markets has risen from **€94** to **€414** — a fourfold increase. Datacentre AI accelerators are up **+93%** year-on-year. Public tenders signed against today's prices are being delivered against entirely different markets. This is no longer a procurement inconvenience; it is a **systemic risk to Europe's digital sovereignty agenda**, to the Chips Act, to AI Factories, and to every Member State's digital transformation roadmap.

Executive Summary

The rapid evolution of global technology markets — driven by artificial intelligence, geopolitical developments and supply-chain disruptions — has resulted in heightened volatility in the prices of critical IT hardware components. We propose the immediate establishment of a **European IT Hardware Price Index**, published by Eurostat in partnership with DG CONNECT and the European IT industry, to serve as a transparent and reliable benchmark across all 27 Member States.

The Challenge

- Significant and unpredictable price fluctuations in key components (RAM, CPUs, storage, GPUs)
- Increased demand driven by AI infrastructure and data centres
- Supply-chain instability due to geopolitical tensions and global disruptions
- Limited validity periods for supplier quotations
- Frequent delays and, in some cases, cancellation of orders

Proposed Solution

A European IT Hardware Price Index that tracks key components (DDR4/DDR5 RAM, CPUs, HDD/SSD/NVMe storage, GPUs and AI accelerators), published monthly or quarterly by Eurostat in collaboration with DG CONNECT, and serving as a contractual reference for public procurement, large-scale IT projects and framework agreements.

Practical Application

- Price-adjustment clauses in procurement contracts

- Risk-sharing mechanisms between contracting authorities and suppliers
- Improved transparency in pricing evolution
- Fair and sustainable participation of companies in tenders

Predefined thresholds (e.g. +20%, +30%) could trigger contract review or price-adjustment mechanisms.

Why Existing Instruments Are Insufficient

Eurostat's Industrial Producer Price Index is valuable at macro level but does not capture market-level pricing dynamics for specific IT hardware categories. DG CONNECT does not maintain a structured pricing benchmark. Private indices (TrendForce, DRAMeXchange, Context) are paywalled, US-centric and not admissible as a contractual reference in EU public procurement. There is no neutral, public, EU-governed reference that a tender clause can point to. The proposed Index closes that gap.

Requested Next Steps

1. Place the European IT Hardware Price Index on the agenda of the next Members' Council and the next exchange with DG CONNECT.
2. Co-sign, with European industry associations, a joint letter to the European Commission requesting a feasibility study by Eurostat.
3. Convene a technical working group with industry, Eurostat and Member State procurement bodies to define methodology and governance within six months.
4. Pilot the Index on three categories (DDR5 modules, enterprise NVMe, AI accelerators) within twelve months.

Conclusion

The price volatility of IT hardware is no longer a technical procurement issue — it is a barrier to delivering Europe's digital decade. The instruments required to address it are modest, well-precedented (the EU already maintains indices for energy, construction materials and agricultural commodities) and implementable within the current Commission's mandate. What is missing is the decision to act. We urge DIGITAL EUROPE to take that decision now.

Respectfully,

George Malekkos

President, CITEA — Cyprus Information Technology Enterprises Association

info@citea.cy