

Shades of digital sovereignty in a globalized world

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Today, Cloud has become the business-critical backbone of IT for Enterprises

Cloud Computing

42 %

of companies use pre-dominantly or exclusively Public Cloud | 39% rely on Hybrid Cloud | 19% still favor Private Cloud.

62 %

of companies pursue a Cloud First Strategy | 65% of Public Cloud Users plan to migrate 50% to Public Cloud

58 %

of companies state flexibility & scalability to be the top driver for cloud usage within the next 5 years.

77 %

of companies state performance, innovation and reliability of cloud as a Must-have. **58% consider Sovereign Cloud** as an essential component

Data & Artificial Intelligence

96 %

of companies using Cloud leverage modern AI solution from Cloud Providers – predominantly hosted in Hyperscale Cloud Environments | on-premise rapidly losing significance

92 %

of companies using LLMs indicating a broad usage from strategic solutions to usage by single employees. GPT by OpenAI and Gemini by Google are leading

Why Sovereign Cloud is Emerging in a Globalized World?

Strategic business need



Cloud is no longer just IT infrastructure, it is the foundation for AI, data platforms, and innovation ecosystems.

58% of companies now see sovereign cloud as a must-have—and almost all are willing to pay a premium for it

Geopolitical reality



Europe relies on foreign countries for more than 80% of its digital products, services and infrastructure.

Extraterritorial laws like the U.S. Cloud Act expose European data to foreign access, creating risks for critical infrastructure, public services, and industries built on sensitive IP.

Regulatory pressure



With the EU Data Act, NIS2, and the EU AI Act, compliance with European rules are non-negotiable.

Enterprises and governments alike must ensure that critical workloads – from healthcare to finance – remain under European jurisdiction and control

Public trust and resilience



Disruptions driven by tariffs, sanctions, or hyperscaler outages have highlighted Europe's vulnerability.

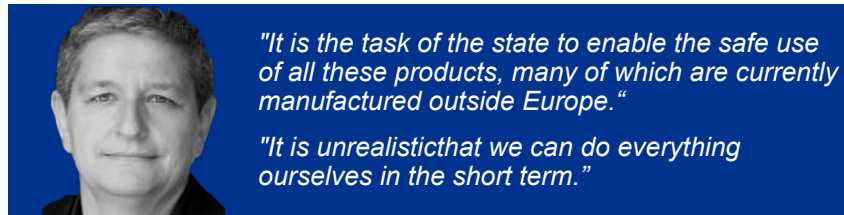
A sovereign approach promises resilience, vendor independence, and greater transparency

Sovereignty

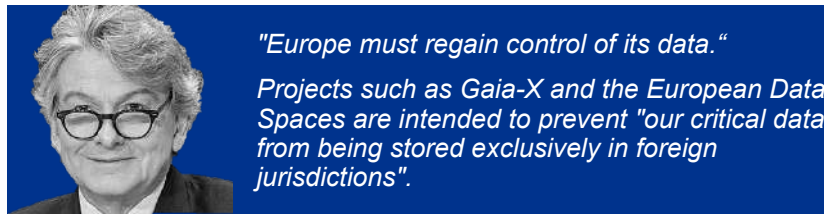


Sovereignty is no longer a binary “yes/no” – it spans data sovereignty, operational sovereignty, and technology sovereignty. Each level addresses different risks, from data access and compliance to operational autonomy and control over critical IP

Governments, IT Providers and Clients are committed to Sovereign Cloud Principles



Claudia Plattner - BSI



Thierry Breton- Commission



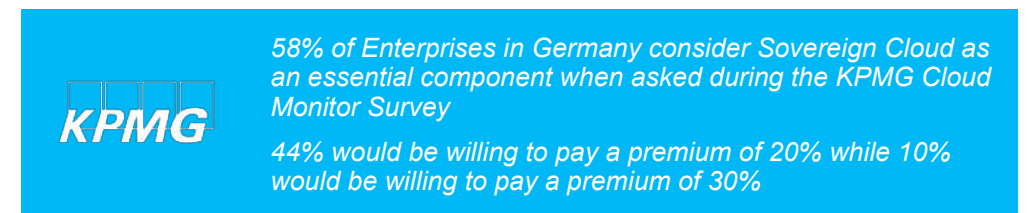
Mario Draghi - The future of European competitiveness



European Super Scaler*



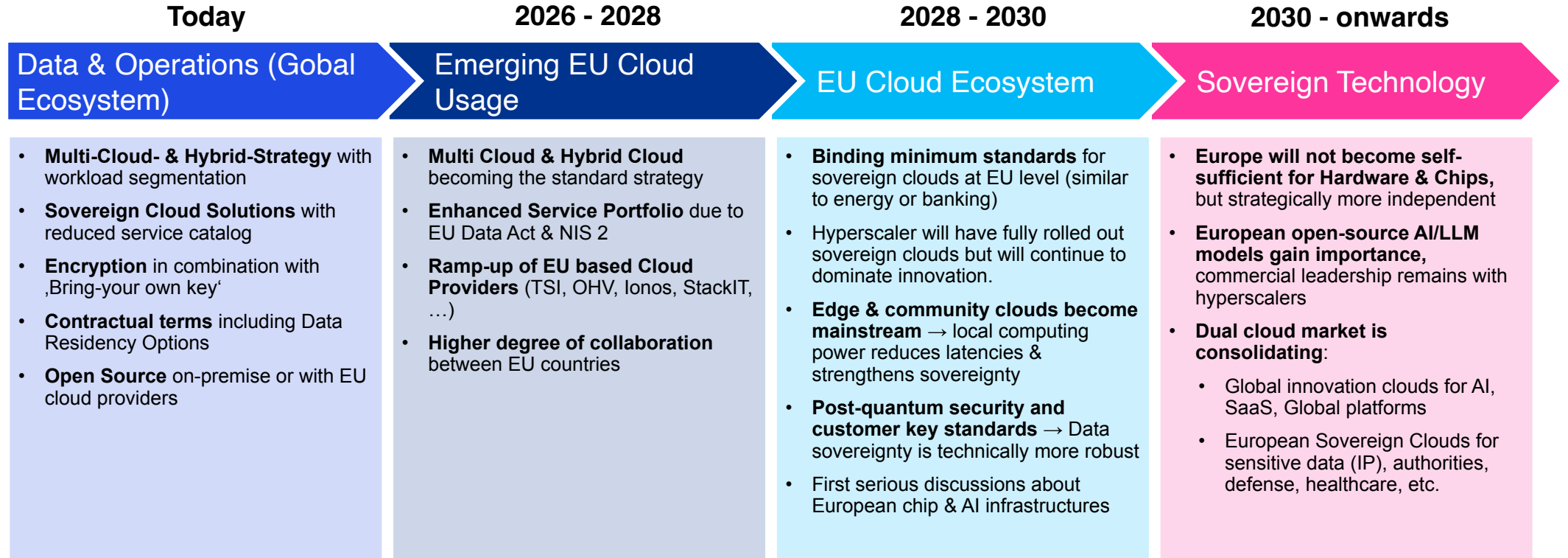
Hyperscale Cloud Providers*



Cloud Users through the KPMG Cloud Monitor

*Selection

The commitment and investments are there but we still expect a journey to achieve comprehensive sovereignty



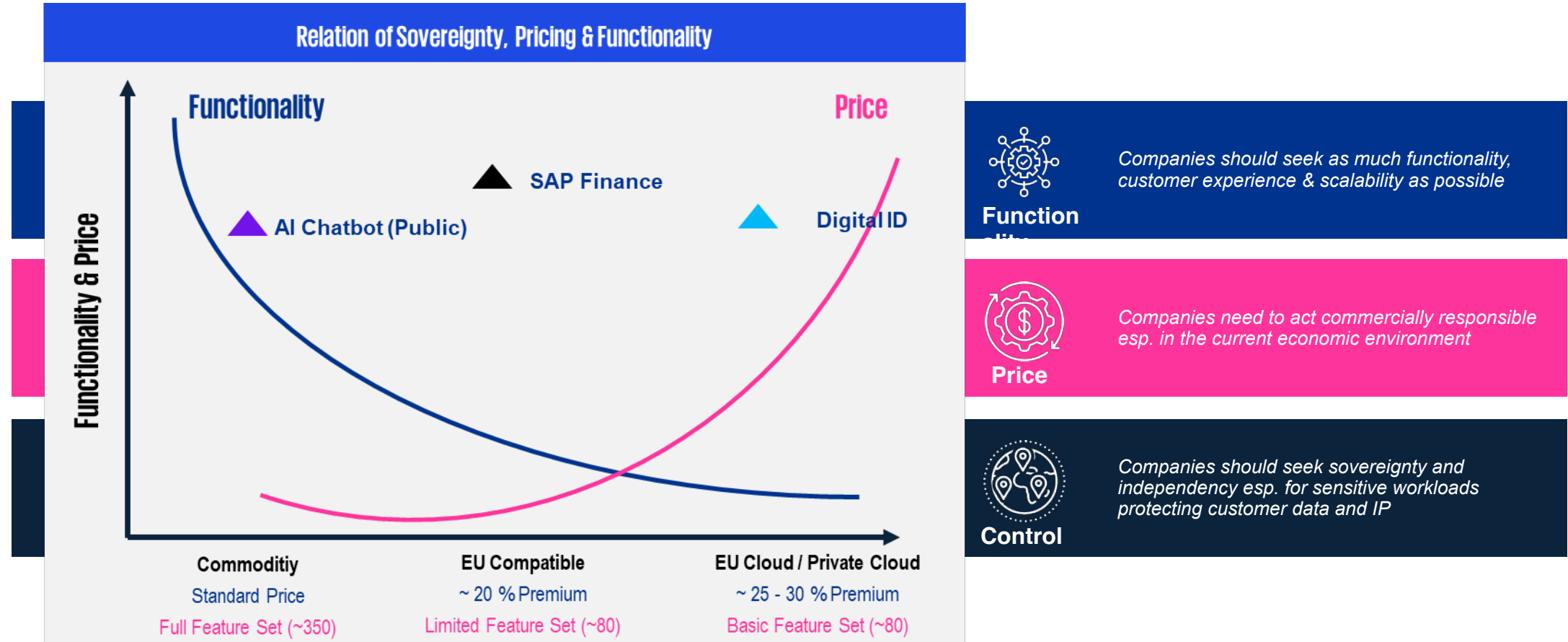
"Sovereignty is not a state, but a continuum. IT needs to sit in driver seat with flexible strategies to take decisions".

During this journey, Cloud Users should think in ‚Shades of Sovereignty’ as per Workload

Shades of Sovereignty				
	Commodity	EU Compatible	EU Cloud	Private Cloud
Data Sovereignty Exercising full ownership, access & regulatory compliance over data storage, processing, and usage within legal and ethical boundaries	Data subject to non-EU law GDPR compliance pot. at risk	EU-only data residency GDPR compliance pot. at risk	Data residency in EU, GDPR-compliant	On-prem / national data control
 Operational Sovereignty Maintaining transparency, autonomy and control over the execution and management of key operational process	Limited transparency, provider locations, parent companies under non-EU influence	EU-only ops staff, pot. local entity, parent under non-EU control / influence	EU-staffed ops, but pot. dependent on vendors or suppliers (non-EU)	Full transparency, self-managed but requires local expertise and workforce
 Technology Sovereignty Ensuring control and independence over the design, development, and deployment of critical technologies	Proprietary services with superior technology but pot. vendor lock-in (e.g. superior disaster recovery, security, etc.)	Typically only subset of global services (~80 vs. 300+)	Open standards (OpenStack, Kubernetes) but dependent on non-EU contributors and HW suppliers	Open standards, fully configurable to client needs, but but dependent on non-EU contributors and HW suppliers
Examples	AWS, Microsoft, Google	AWS, Microsoft, Google	OVH Cloud, T-Systems, ..	Local Provider, On-Premise

Each shade comes with pro's and cons – Cloud Users need to consider the right shape (or mix) per workload

Beside sovereignty IT Leaders need to balance innovation and cost not only short-term, but also long-term



Guiding questions to IT Leaders helping pave the way towards a balanced approach

?

Understanding Data Governance: What legal and compliance requirements shape your data storage and processing—particularly regarding EU data residency and GDPR?

?

Exploring Data Security: What controls and processes are in place to uphold data sovereignty, ensure compliance, and safeguard against unauthorized access of your (IP), client and employee data?

?

Exploring Operational and Technical Security: What controls and processes are in place to uphold operational sovereignty, ensure compliance, and safeguard against unauthorized access, lost or destruction (e.g. georedundancy)

?

Opportunities for Growth: What parts of your current infrastructure, processes and technologies could benefit from enhancement or scaling to drive business outcomes?

?

Geopolitical Risks: How have you evaluated the exposure of your cloud solutions to risks like foreign authority access or cross-border data interventions (e.g., access by foreign authorities)?

Cloud does not necessarily mean:

- Cost Savings for each and every workload
- Lower Security compared with on-premise
- Loss of control
- Vendor-Lockin

On-premise does not necessarily mean:

- Higher Security
- Operational stability
- Higher Cost
- Comprehensive sovereignty

What does it mean for the Data Center Market:

- Continuing need for Private Cloud (Co-Location)
- Growing need for Edge Cloud
- Growing need for Data Center Capacity for EU Cloud Providers



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