

A man in a blue shirt and glasses is working on a laptop in a server room. The room is filled with server racks and glowing lights. The overall color scheme is blue and teal.

inetum.

WHITE PAPER

Sovereignty in the Cloud Era: Microsoft Azure's Commitment to European Digital Autonomy



Inetum supports the adoption
of Microsoft's sovereign cloud in
Europe, **ensuring compliance and
maintaining digital autonomy**



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Executive Summary

In 2025, digital sovereignty has emerged as one of the core strategic imperatives guiding cloud adoption across Europe. The stakes extend beyond data protection—reaching into national resilience, compliance with the EU Data Boundary, and the geopolitical independence of digital infrastructures. Microsoft Azure's Sovereign Cloud initiative stands today as the industry's most comprehensive response to this challenge, offering configurable sovereignty through Sovereign Public Cloud, Sovereign Private Cloud, and National Partner Clouds like Bleu [France] and Delos Cloud [Germany].

This white paper explores how Azure balances compliance, trust, and innovation in service of the European sovereignty agenda.

As a Microsoft partner, Inetum provides cloud transformation, FinOps, and sustainability services **tailored to meet the specific needs of each industry**



01



THE NEW CONTEXT OF DIGITAL SOVEREIGNTY

The European Union has redefined sovereignty as the ability to act autonomously in the digital domain. This includes control over:

- The data lifecycle (collection, processing, storage, and destruction)
- The legal jurisdiction governing cloud operations
- The operational independence from foreign actors

With the rise of AI models, cross-border data regulation, and concerns about extraterritorial laws like the U.S. CLOUD Act, ensuring that business data, metadata, and operational control stay within European law is now essential for compliance and strategic resilience.

02



MICROSOFT'S MULTI-LAYER SOVEREIGN ARCHITECTURE

Sovereign Public Cloud

Now generally available in all European regions, the Sovereign Public Cloud embeds sovereign functions—like customer-controlled encryption, regulated environment management, and Data Guardian services—directly into Azure's European datacenters

It allows customers to meet sovereignty requirements without creating parallel infrastructures or losing access to AI, analytics, and security innovation.

Sovereign Private Cloud (Azure Local)

Built for organizations requiring isolated control, this model deploys Microsoft 365 and Azure services in customer-owned or partner-operated environments. It guarantees air-gapped operation and is designed for national security, defense, and public sector workloads.

National Partner Clouds

Bleu [France] — A joint venture between Orange and Capgemini operating Azure and Microsoft 365 under French jurisdiction, meeting SecNumCloud certification.

Delos Cloud [Germany] — Run by SAP, aligned with German government's "Cloud Plattform Anforderungen" standard

Microsoft 365 Local on Azure Local

A 2025 innovation enabling customers to operate productivity workloads [Exchange, Teams, SharePoint] within private sovereign infrastructures.

Together, these models offer unprecedented flexibility for balancing digital sovereignty and cloud innovation.



03



DATA CONTROL AND OPERATIONAL TRANSPARENCY

A major 2025 milestone is Microsoft's European Cloud Data Policy, ensuring all data belonging to European cloud clients—Azure, Microsoft 365, and Power Platform—is stored and processed exclusively within Europe.

The framework involves:

- Local personnel oversight with real-time logging in tamper-proof ledgers.
- Full customer control of encryption keys through External Key Management [EKM].
- Complete transparency over remote access by Microsoft engineers, subject to EU supervision and consent.

This operational transparency marks a paradigm shift, transforming compliance checks into continuous assurance mechanisms.





04

COMPETING SOVEREIGNTY VISIONS

The hyperscaler landscape is evolving rapidly. Microsoft's rivals—AWS and Google Cloud—announced similar sovereign initiatives in 2025, each claiming adherence to EU sovereignty requirements. But Microsoft's approach differs fundamentally by remaining integrated into the broader Azure fabric—avoiding duplication and giving customers access to identical AI and analytics services without “sovereign silos”.

This pragmatic “shared sovereignty” model strengthens Europe's digital autonomy without isolating it from innovation.



05



STRATEGIC IMPACT FOR EUROPEAN ORGANIZATIONS

For public sector bodies, finance institutions, and critical infrastructure operators, sovereignty is a business enabler—not just a compliance checkbox.

The ability to retain full jurisdictional control fosters:

- › Regulatory alignment [GDPR, NIS2, DORA, and national cloud certifications]
- › Economic independence, promoting European hyperscaler ecosystems and local employment
- › Boosted citizen and client trust by visibly ensuring data stays “within borders”

Executives choosing a sovereignty-aligned cloud gain early compliance readiness while contributing to national resilience goals



06

GOVERNANCE AND IMPLEMENTATION GUIDANCE

Azure's Sovereign Cloud architecture integrates with existing governance frameworks such as Azure Policy, Microsoft Purview, and Defender for Cloud. IT leaders should:

Map regulatory categories [critical, sensitive, and restricted workloads] to appropriate sovereignty layers.

Use Sovereignty Baseline Policies to automate compliance monitoring.

Adopt the Regulated Environment Management console to centralize audit, oversight, and provisioning.

This ensures sovereignty governance becomes continuous, measurable, and board-reportable.



07



OUTLOOK: THE FUTURE OF SOVEREIGN AI

Microsoft's sovereignty roadmap links AI compliance directly into cloud governance. The upcoming Sovereign Public Cloud for AI will enable EU-trained models to run exclusively in sovereign environments with transparent data lineage and model governance. This positions Azure as the engine for compliant AI deployments under the forthcoming EU AI Act.



08

CONCLUSION

Microsoft's Sovereign Cloud is not merely a product—it is a framework for digital self-determination. For decision-makers in Europe, leveraging this ecosystem means transforming compliance into competitive advantage. Sovereignty is no longer an endpoint—it is a configurable state within Azure's architecture that ensures Europe's digital future remains both open and autonomous.

About Inetum

Inetum is an agile IT services company that provides digital services and solutions to companies, institutions, and public organizations. With a strong presence in Europe and a global footprint, Inetum helps clients leverage technology to drive innovation, efficiency, and growth. As a Microsoft Azure partner, Inetum delivers cloud transformation, FinOps, and sustainability services tailored to industry-specific needs.



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