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Whitepaper · Digital sovereignty

A ceasefire is not a strategy. Digital sovereignty is.

Why Europe's response to short-term stability is the real risk, and what digital sovereignty means for your business.

For boards in finance, energy and healthcare

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Wednesday's US–Iran ceasefire has allowed boards in finance, energy and healthcare to finally "unclench". For a moment, the global economy seems to have found its footing.

But for any leader running critical infrastructure, that rush of relief is exactly what should concern you.

> *Relief is a dangerous emotion. It is the psychological barrier that kills root cause analysis.*

The software lesson

Near misses are not lucky breaks

In software operations, we have a formal category for catching a catastrophic error seconds before it hits production: a near miss.

The human instinct is to exhale, high-five, and move on. After all, nothing broke. But in high-performing engineering cultures, we don't allow that instinct. We investigate near misses with the same rigor as total outages — often more, because they are harder to take seriously.

The methodology is simple: what failed in our system that allowed this error to reach the point where only luck prevented disaster? If the only thing separating you from a systemic collapse is that a diplomat "happened to notice" or a politician blinked, you don't have resilience. You have a coincidence.

Right now, Europe is treating the geopolitical near misses of 2026 with relief instead of root cause analysis.

The events of the last quarter have exposed a structural truth: Europe's critical sectors operate on a set of "permissions" that can be revoked by external actors at any time.

But the real "near miss" isn't just about oil or territory. It's about the transmission mechanism. We have reached a point where geopolitical friction translates directly into digital paralysis. **If a jurisdiction can weaponize a tariff, it can weaponize an API key.**

Crucially, this isn't always about political malice; it is about legal automation. When a foreign jurisdiction invokes extraterritorial authority like the US CLOUD Act or a new sanctions package, the provider's compliance is not a choice. It is an automated legal override that supersedes your local SLA.

The transmission mechanism

From tanks to tech stack

The Greenland crisis (January 2026)

When the US used tariff threats to pressure NATO allies over Danish territory, it proved that economic coercion can be applied, modulated, and withdrawn at will.

The Hormuz disruption (March 2026)

The estimated $120 billion cost to Middle-Eastern economies by the end of March and the severed shipping routes reminded us that our physical supply chains are inherently fragile.

> *We were at a crossroads, with legacy technology preventing a solid digital transformation, and an ambitious strategy for customer centricity underlining requirements for becoming data-driven. We really needed the Axual platform to allow us to make the leap.*

Roger Stoffers · ASN Bank

Digital sovereignty is often dismissed as a technical debate about data residency. For a board, however, it is a question of whether operations survive the next crisis intact.

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Crucially, this isn’t always about political malice; it is about legal automation. When a foreign jurisdiction invokes extraterritorial authority like the US CLOUD Act or a new sanctions package, the provider’s compliance is not a choice. It is an automated legal override that supersedes your local SLA.

The jurisdictional trap

A sector-specific reality

1 **Finance: the weaponization of the rails**

Most European payment systems run on US-governed rails. During the Iran conflict, companies with zero Iranian exposure faced compliance disruptions simply because the underlying infrastructure was subject to foreign regulation. In a decoupling scenario, your “cloud-native” banking core isn’t an asset — it’s a hostage.

2 **The Greenland crisis (January 2026)**

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> *Data governance is critical at Rabobank. With Axual, we’re able to see who has permission, who owns the data, or if the owner has given permission and what the structure of the messages are.*
>
> **Vincent Oostindië** · Rabobank

Strategic optionality

Redefining sovereignty as exit velocity

True digital sovereignty is not about isolationism or “building it all ourselves”. It is about strategic optionality.

It is the ability to maintain core operations while migrating from one jurisdiction to another in a compressed timeframe. **If you cannot leave a provider, you aren’t a customer — you’re a dependency.** We need to stop talking about residency and start talking about exit velocity.

The fiduciary checklist

A board agenda for day 15

The ceasefire is two weeks long. It is a reprieve, not a resolution. Here are four questions that belong on your next agenda:

1

Map the jurisdictional single points of failure

Where does a single foreign government decision create a total outage for our core services?

2

The “island mode” test

Could your mission-critical systems and processes operate fully disconnected from foreign-managed infrastructure for 72 hours?

3

Validate exit velocity

What is the actual, tested time to migrate our critical data and services? Is it measured in days, or years?

4

The sovereignty premium

Are we pricing the risk of “cheap” foreign infrastructure correctly, or are we ignoring the catastrophic cost of a near miss that finally hits?

Conclusion

A reprieve is not an answer

Today, the ceasefire holds. Soon, talks begin in Islamabad. But the cycle of tension, relief, and forgetting will repeat until the day the timing runs out. Every near miss is an invitation to investigate before the clock hits zero.

With Axual

Digital sovereignty by design

This is where digital sovereignty becomes a design decision.

At Axual, we focus on the data streams that power critical operations across finance, energy, and healthcare. These systems don't fail at the database level; they fail at the point where control is lost. If your data flows depend on infrastructure governed by another jurisdiction, then your ability to operate can be restricted without warning.

Sovereignty means building systems that continue to function under those conditions, with full control over where data flows, how it is processed, and under which laws it operates. In a world defined by near misses, that control is not optional. It is the difference between continuity and interruption.

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