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Guide · Digital sovereignty

How to choose a European cloud provider

What to check, what to accept and where to start, based on how Axual is choosing its own European provider.



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Introduction

From abstract debate to board decision

Moving to a European cloud is no longer a question of whether, but of where to start and how fast.

More than 80% of Dutch companies still run on the cloud platforms of US tech companies, and many now want to reduce that dependency, or at least find out whether a switch is possible.

This guide is based on a webinar in which two Axual experts shared how Axual itself is choosing a European cloud provider for its managed service. It covers the legal, geopolitical, financial and technical questions, and what that choice means in day-to-day operations.

What changed

The law did not change; how it is applied did. US companies are now held by their own government to obligations that override European law. A contract with a US provider does not protect you against that: **US law outweighs the contract.**

Who this guide is for

CIOs, CISOs, platform leads and architects in regulated organisations who need to decide which workloads must move to a European provider, and how to choose one.

The experts

Frenk Ochse
Chief Commercial Officer, Axual

Strategic risk, governance and the business case at board level

Alain Wouterlood
Cloud Operations Engineer, Axual

Technical impact, from Kubernetes to the operational must-haves of a sovereign stack

The webinar was moderated by Geert Jan Hahn, Europe correspondent at BNR Nieuwsradio.

In this guide

01 Data residency is not sovereignty
02 Ownership, legal exposure, location
03 Contracts, costs, scale and exit
04 Decide what must be European
05 Your checklist
06 How Axual helps

Data residency is not the same as sovereignty

A server in Europe is a start, not the finish. Data residency only answers where your data is stored. Sovereignty also asks who controls it, which laws apply to the company running it, and whether you can move it freely.

Question	Data residency	Sovereignty
Where is the data stored?	In the EU	In the EU
Under whose law does the provider fall?	Not checked	EU law only
Who ultimately owns the provider?	Not checked	European owners, up to the ultimate beneficial owner
Where does the hardware come from?	Not checked	As European as possible (often not yet feasible)
Can you leave and take your data with you?	Not checked	Yes, designed in from the start

Sovereignty is layered

The base is simple: where is the data, and who manages it? Above that sits a whole platform that integrates with other components, such as management tooling, monitoring and alerting, identity, DNS and certificates. For each layer, decide whether it must be European too, and when.

It is about control, not purity

Open source software adds sovereignty, because you can run it yourself. But many open-source projects are maintained mainly by US companies. If such a maintainer pulled out, you could keep running for days, but in the longer term you would need to adapt. That is a risk to map, not a reason to avoid open source.

> *It's not a purity test. You have a service level you want to reach, and guarantees to give your customers that their data is under their control, and not under the control of foreign powers.*
>
> **Alain Wouterlood** · Cloud Operations Engineer, Axual



The island test

If a foreign authority pulled the plug tomorrow, what would stop working?

Axual calls this island mode: can your service keep running for several days without the US provider? For Axual's own managed service, which has historically run on Azure, passing this test is goal number one of the provider trials.

02 · Ownership and location

Assess ownership, legal exposure and location

The provider's ownership decides which laws apply, so check it before anything else.

A European company with a European data centre is the baseline. If the ultimate beneficial owner is American, you are still not sovereign, however European the data centre is.

Questions to ask every provider

1. **Who owns the company**, all the way up to the ultimate beneficial owner?
2. **Under which jurisdiction** does the company operate, and can a non-EU authority compel it to hand over data?
3. **Where are its data centres**, and how many does it run in each country?
4. **Who holds the encryption keys?** Keys held by entities fully based in the EU are the goal; not every provider can offer this yet.
5. **Where does its hardware come from?** Fully European hardware is rarely possible today, so treat it as a preference, not a requirement.

02 · Ownership and location

Geopolitics belongs in the assessment too

A migration is not something you want to repeat every year, so look at long-term stability as well as legal status. Axual limited its search to EU member states and weighed the geopolitical risk of each location.

Practical location criteria

Proximity to a major internet exchange improves performance. For high availability, look for three data centres in one country; for Axual, three in the Netherlands would be the ideal.

The non-negotiables

Axual separated what it will not compromise on from what it will weigh against risk.

Non-negotiable

- ✓ **Where the hardware runs (within the EU)**
- ✓ **European ownership of the provider**

Negotiable, weighed by risk

- Encryption key management (EU-held keys preferred)
- Origin of the hardware
- Supporting tooling such as monitoring and alerting
- Ecosystem services such as identity, DNS and certificates

03 · Contracts and costs

Check contracts, costs, scale and exit terms

Expect a European provider to cost about the same as a hyperscaler, or more.

European providers have the wind behind them and plenty of demand, hardware prices are rising, and they are building capacity that the hyperscalers paid for years ago.

Watch the price model, not just the price

One provider may charge little for compute and much more for network traffic. US hyperscalers usually price traffic low; some European providers price it higher. Get a full quote for your real usage before you decide.

Check certifications per provider and per country

Certifications are not the same everywhere: one provider follows the ISO standards, another holds national (NEN) certifications. Axual's minimum list included ISO 27001, a SOC 2 report and three data centres.

Assess whether the provider can scale with you

No provider will tell you it cannot keep up, so look at three things together.

Capacity today

How many data centres it runs, and where (for example, three in France and four in the Netherlands).

Financial strength

How the company is funded and whether that funding is enough for its plans.

Expansion plans

Where it plans to add capacity next.

Hyperscalers are not immune either: Microsoft's West Europe region went through a long period in which new capacity was scarce and customers had to move to North Europe.

Build in exit velocity

If you ever want to leave, you don't want it to take long. Design the new setup so that a next move is easier, for example from a French to a German provider.

In the past this was theoretical and often skipped for convenience or budget; now it belongs in every design.

> *Security and predictability come before cost. There's a chance you'll pay a bit more with a European provider, but in return you get your independence and certainty back.*

Frenk Ochse · Chief Commercial Officer, Axual

04 · Priorities

Decide what must, should and could be European

Moving everything at once is an illusion. Decide per component where your highest risks are, start there, and put the rest on a list for later.

Non-critical data and applications can keep running where they are for now.

Infrastructure and data	Compute, storage, the data itself	Must · first
Data platform	Apache Kafka and the services on top of it	Must · with data
Management and access	Authorisation and identity systems, admin tooling	Should · next
Ecosystem services	DNS, certificates	Should · next
Supporting tooling	Monitoring, alerting, on-call paging	Could · later

Start with the data your obligations depend on

Regulated organisations carry chain liability: large companies are responsible for the quality of their whole supply chain, and their suppliers have to meet the same requirements. A bank will move the data streams that process customer data first; the canteen's lunch list can wait. Dutch banks have said they want European alternatives within four years, and that may well become two or three.

Axual made the same trade-off

Its alerting service still runs on a US provider: the gain from moving it is small compared with the effort, so it is on the list for a later phase.

Write down your must-haves

Axual's customers run mission-critical financial and health data, so its must-haves were high availability across multiple data centres and managed Kubernetes. Be clear about what you need, and accept that you will give up some conveniences you are used to.

How Axual is running its selection

1. **Longlist**
   About one month
   List the providers on the European mainland and score them on your criteria, such as certifications, number and location of data centres, and ownership. This is mostly desk research, plus questions to providers about their certifications.

2. **Shortlist of three**
   Enough to compare, few enough to test properly. If none of the three is good enough, go back to the longlist.

3. **Proof of concept per provider**
   About one month each
   Build a minimum viable setup covering about 80% of the functionality you need, and estimate the remaining 20%.

4. **Decision**
   About four months after the start

5. **Build for production**
   Take the chosen setup from 80% to 100%, including the shortcuts you documented during the trials.

Document your shortcuts

In a proof of concept you can't move everything. Axual's admin authorisation system, for example, still runs on Azure during the trials. Record each shortcut so it is handled in the real migration.

Free up people

Treat this as a project, not something done on the side. Axual made dedicated capacity available for it.

04 · Priorities

Expect less disruption than you fear

60–80%

of Axual's tooling was easy to adapt

Often it only needed to point at the new provider. Standard interfaces make that possible, and infrastructure as code helps. The hard part is custom integrations built for one specific cloud. As Alain put it: **only when you move house do you find out what's in the attic.**

> *It's still ketchup. You can put it on your fries the same way. It just tastes a little different.*
>
> **Alain Wouterlood** · on moving from a hyperscaler to a European provider

Keep customers informed, and give them the choice

For your customers, a good migration changes nothing they can see: the same uptime and the same SLAs. Explain the reason (legal certainty) and offer the European option.

Axual will not force customers to migrate; those who want to stay on the current setup can, accepting the risk themselves.

Start now

The best moment to start is now: good European alternatives already exist, and the technology works the same whichever provider delivers it.

Waiting for a European hyperscaler only makes sense if your research shows there is no alternative yet for what you need.

05 · Checklist

Your checklist for choosing a European cloud provider

Before you search

- [ ] Run the island test: list what would stop working if a US provider pulled the plug.
- [ ] Classify your data streams and applications as critical or non-critical.
- [ ] Decide your non-negotiables (at least hardware location and European ownership).
- [ ] Write down your technical must-haves, such as availability, number of data centres and managed Kubernetes.
- [ ] Make people available and run it as a project.

While you select

- [ ] Check ownership up to the ultimate beneficial owner.
- [ ] Compare certifications per provider and per country.
- [ ] Get a full price quote including network traffic, not just compute.
- [ ] Assess capacity, funding and expansion plans.
- [ ] Keep the shortlist short and test about 80% of what you need in each proof of concept.
- [ ] Document every shortcut you take during the trials.

When you move

- [ ] Start with infrastructure and the data your obligations depend on.
- [ ] Design for exit velocity, so a next move is easier.
- [ ] Plan the next layers (identity, DNS, certificates, tooling) for later phases.
- [ ] Tell customers what changes and what doesn't, and give them the choice.

Three tips from the experts

1

Put security and predictability above cost

A European provider may cost a little more; you get independence and certainty in return.

Frenk Ochse

2

Keep your proof of concept controllable

Don't let the shortlist grow into a longlist, and don't try to reach 100% in a trial: then it becomes a pilot, and a long one.

Frenk Ochse

3

Set clear boundaries and start with what matters most

Sovereignty is not a purity test, and you don't need to reach it all in the first step.

Alain Wouterlood

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06 · How Axual helps

Sovereign data streaming, with exit velocity built in

Axual is a European-owned data streaming platform built on open-source Apache Kafka and Strimzi.

You can run it on your own infrastructure, including air-gapped environments, or as a managed service on Scaleway, a European cloud provider. Because the platform is open source at its core, your data, topics and skills stay portable.

Moving off Confluent or a non-European cloud?

Axual migrates you for free.

Talk to an expert →

axual.com/deployment

