

Europe's Third Compute Axis

**The Sovereignty Illusion, the Capacity Gap,
and the Architecture That Can Still Work**

A critical reassessment of Europe's position across chips, cloud, energy, models, regulation, and industrial demand after the 2026 policy reset.

STRATEGIC DOSSIER

Strategic Dossier No. 06

Europe's Third Compute Axis

The Sovereignty Illusion, the Capacity Gap, and the Architecture That Can Still Work

A critical reassessment of Europe's position across chips, cloud, energy, models, regulation, and industrial demand after the 2026 policy reset.

Publication date	Late August 2026
Publisher	RefleXio Intelligence
Series	Strategic Dossiers, No. 06
Version	3.0
Prepared by	RefleXio Intelligence Editorial Desk

Independent strategic intelligence on AI infrastructure, industrial capacity, and governed deployment.



Contents

Contents	2
Notice and disclaimer.....	4
How to read the evidence	4
Executive summary.....	6
What changed since April 2026.....	7
The numbers that matter	8
The six conclusions.....	9
1. The third-axis thesis.....	10
1.1 What the thesis rejects	10
1.2 What the thesis requires.....	10
2. The physical stack and the asymmetric reality.....	12
2.1 The eight layers.....	13
2.2 Why the software layer matters more after hardware improves	14
3. Capital, scale, and the demand problem.....	16
3.1 Public capital can crowd in capacity without creating a market	16
3.2 Capital-allocation rules	17
4. Cloud control and the sovereignty test.....	18
4.1 The four tests in practice	19
4.2 The European provider test.....	19
4.3 Procurement rules for sovereign cloud.....	20
5. Energy and geography.....	21
5.1 Where Europe can improve the equation	22
5.2 The geography must follow both power and demand	22
6. Regulation after the July 2026 reset	23
6.1 Governance becomes industrial only when it is executable	24
6.2 The regulation-product bargain	24
7. Industrial assets that can support a third axis	25
7.1 From projects to a market	26
7.2 The domain-specific opportunity	26
8. Adoption, productivity, and the execution gap.....	27
8.1 A better maturity model	28
8.2 The production gate	28
9. Architecture for selective autonomy	30
9.1 Four deployment postures.....	30
9.2 The minimum technical spine.....	31
9.3 The economic spine	31

10. The operating playbook	32
10.1 Board and C-suite playbook	32
10.2 Vendor and cloud-provider playbook.....	32
10.3 Investor playbook	33
10.4 Policymaker playbook	33
10.5 A 24-month implementation sequence	34
11. Scenarios and weak signals through 2030.....	35
11.1 The dashboard	36
11.2 What would break the thesis	36
11.3 What would strengthen the thesis	37
12. Conclusion	38
12.1 The ten board questions.....	38
Appendix A. Data ledger	39
Methodology	41
References	41
Copyright and final note	42

Notice and disclaimer

This dossier is provided for informational and strategic planning purposes. It does not constitute investment, legal, tax, or procurement advice. Historical data are drawn from the sources listed in the references. Forecasts, scenario weights, capability ratings, and recommendations are RefleXio Intelligence judgments unless another source is stated.

The evidence cut-off is August 29, 2026. Public policy, export controls, capital programs, product roadmaps, and company guidance can change after that date. Readers should verify material decisions against current law, contracts, technical documentation, and primary disclosures.

All third-party trademarks belong to their respective owners. References to vendors are analytical and do not imply endorsement or a commercial relationship.

How to read the evidence

Evidence class	Meaning	Treatment in this dossier
Primary fact	Official statistics, law, regulatory filings, audited results, or first-party program data	Presented as a dated fact with an APA citation
Comparable measure	A published series whose definition remains stable across the compared items	Used in charts with scope and units stated
Directional evidence	Reliable evidence that does not support a precise universal estimate	Used to establish direction, not false precision
RefleXio judgment	A thesis, score, scenario weight, threshold, or recommended action	Labeled as analysis and designed to be refutable

Table 1. How to read the evidence.

Editorial reset. Version 2.0 treated several April 2026 projections as settled facts. Version 3.0 removes or reclassifies those claims, updates the policy and market record through August 2026, and adds a data ledger so that every headline number can be traced to a primary source or a clearly identified analytical judgment.

Section	Question answered
Executive summary	What changed, what remains true, and what leaders should do now
1. The third-axis thesis	What a viable third axis is and what it is not
2. The physical stack	Where Europe has leverage and where it remains dependent
3. Capital and market scale	Why Europe's gap is concentrated in scale and demand

Section	Question answered
4. Cloud and sovereignty	Why location, control, and ownership cannot be merged into one label
5. Energy and geography	Why time to power outranks headline funding
6. Regulation after the reset	What the July 2026 AI Act amendment changed
7. Industrial assets	Which European strengths can become a coherent system
8. Adoption and productivity	Why adoption rates overstate operating depth
9. Selective autonomy architecture	How to design control without pretending to own the whole stack
10. The operating playbook	What boards, vendors, investors, and policymakers should do
11. Scenarios and weak signals	Which evidence would confirm or break the thesis
12. Conclusion	What Europe must own to remain a strategic actor
Appendices	Data ledger, methodology, and APA references

Table 2. Table of Contents.

Executive summary

THE VERDICT

Europe can become a third compute axis, but only by abandoning the fantasy that sovereignty requires a third complete stack.

The European position improved materially between April and August 2026. ASML raised its full-year sales outlook after a stronger second quarter (ASML, 2026). JUPITER remains Europe's only exascale system (TOP500, 2026). EuroHPC expanded into a network of 19 AI Factories and 13 antennas, then launched the AI Gigafactories call with a target of more than €30 billion in investment (EuroHPC Joint Undertaking, 2026). On June 3, 2026 the Commission proposed the Chips Act 2.0, COM(2026) 504, which repeals Regulation (EU) 2023/1781, and the Cloud and AI Development Act (CADA), COM(2026) 502 (European Commission, 2026). In June 2026 the Commission also signed the Pax Silica Declaration on behalf of the EU, a non-binding political declaration on securing semiconductor and AI supply chains, tying its semiconductor strategy more tightly to allied supply-chain coordination.

The same period also made the dependency structure harder to ignore. Europe's share of the global semiconductor market stood near 9% in the 2026 Digital Decade report, less than half the 2030 target (European Commission, 2026). A Commission forecast of July 2024, quoted by the European Court of Auditors, predicts only 11.7% by 2030 under the present trajectory (European Court of Auditors, 2025). EU cloud providers fell from 29% of the European cloud infrastructure market in 2017 to 15% in 2022 and were still at 15% in 2024 (Synergy Research Group, 2025). Amazon, Microsoft, and Google together held about 70% of that market in 2024 (European Commission, 2026). JUPITER's exascale milestone rests on NVIDIA Grace Hopper superchips. The triumph and the dependency fit in the same rack.

That combination leads to the central thesis. Europe should not define sovereignty as domestic ownership of every layer. It should define sovereignty as the tested ability to preserve critical decisions when suppliers, jurisdictions, prices, or geopolitical conditions change. The third axis is therefore a control plane across a globally interdependent stack. It combines European authority over identity, keys, workload routing, evidence, contracts, and exit paths with selective physical capacity where failure would be intolerable.

The distinction is not philosophical decoration. A data center located in Europe can remain operationally dependent on a foreign control plane. An EU-incorporated cloud can still rely on non-European accelerators, memory, networking, and software. A European model can run on foreign hardware and foreign capital. Conversely, a non-European provider can deliver meaningful local operational autonomy. Sovereignty is not a nationality sticker. It is a set of failure tests.

Europe's third axis is a control plane, not a miniature hyperscaler

Selective autonomy means controlling decisions across a stack that remains globally interdependent



Figure 1. Europe's third axis should be built as a control plane over interdependent supply.

Source note. RefleXio Intelligence analysis.

What changed since April 2026

Development	Verified status by August 29, 2026	Strategic meaning
AI Act reset	Regulation (EU) 2026/1744 was published in the Official Journal on July 24, 2026 and entered into force on July 27, 2026	High-risk duties moved to December 2027 and August 2028, while transparency rules still became applicable in August 2026
CADA proposal	The Commission proposed a framework to triple EU data center capacity in five to seven years	The policy now recognizes compute supply, cloud concentration, power, and permits as one system
AI Gigafactories call	EuroHPC opened the call on July 30 with a November 12 deadline and a target of more than €30 billion in investment	The program moved from political slogan to procurement design, although operator economics remain unproven
ASML outlook	Q2 sales reached €9.3 billion and 2026 guidance rose to €43 billion to €45 billion	Europe's strongest chokepoint became more valuable without solving memory, accelerator, or cloud dependence
NVIDIA scale	Q2 FY2027 Data Center revenue reached \$89 billion	The platform Europe depends on is compounding faster than Europe's domestic cloud sector
Digital Decade 2026	EU semiconductor share was reported at 9% and public support for reducing non-EU dependence reached 82%	Political demand for sovereignty is high while industrial capacity remains structurally incomplete

Table 3. What changed since April 2026.

The numbers that matter

9%	EU semiconductor market share. The Digital Decade 2026 report (European Commission, 2026) places Europe well below the 20% target for 2030.
15%	EU cloud-provider share. Synergy Research Group records a fall from 29% in 2017 to 15% in 2022, still 15% in 2024 (Synergy Research Group, 2025). Cloud infrastructure services, covering IaaS, PaaS and hosted private cloud.
19 + 13	AI Factories and antennas. EuroHPC now has a real support network (EuroHPC Joint Undertaking, 2026). The open question is industrial utilization and repeat demand.
~70%	European cloud infrastructure held by Amazon, Microsoft and Google in 2024 (European Commission, 2026). This is a market-structure problem, not merely a data-residency problem.
48+ months	Typical European data-center permitting horizon. The Commission cites permit and environmental authorization periods often above four years (European Commission, 2025).
€300B	RefleXio aggregation of the Commission's two capital estimates to 2036, about €200 billion for expanded data-center capacity, mostly private, plus €100 billion for cloud and AI leadership initiatives, per COM(2026) 503 (European Commission, 2026).
19.95%	EU enterprises with at least ten employees using AI in 2025. Adoption rose 6.5 percentage points in one year, but large firms reached 55.03% while small firms remained at 17% (Eurostat, 2026).
55% vs 81%	AI used in at least two business processes, EU versus US. EIB survey data (European Investment Bank, 2025). Headline generative-AI use is closer, about 37% of EU firms, but the US operating footprint is much deeper.

The six conclusions

1. Europe's viable objective is selective autonomy, not stack autarky.
2. Energy, permitting, and utilization are more binding than the announced face value of public capital.
3. ASML gives Europe leverage at one critical point. It does not give Europe ownership of the accelerator, memory, network, software, or cloud layers.
4. Cloud sovereignty must be tested across physical, operational, legal, and economic control. Passing one category does not satisfy the other three.
5. Governance can become a product layer only if Europe ships executable controls, evidence standards, and interoperable procurement artifacts. Law alone is a specification, not a market.
6. The most defensible European opportunity is governed industrial inference in sectors where energy, engineering, data rights, and domain knowledge matter more than owning the largest frontier model.

The uncomfortable version. Europe does not need a European clone of every American platform. It needs the power to route around any platform that becomes legally, operationally, or economically unacceptable. That is less glamorous than a sovereign supercomputer ribbon cutting. It is also more useful.

1. The third-axis thesis

A REFRAMING

The third axis is a portfolio of veto rights across compute, not a third vertically integrated empire.

The phrase technology sovereignty has been asked to carry too much. In one sentence it can mean data residency. In the next it means European ownership, domestic chips, regulatory independence, cybersecurity, cloud portability, or the ability to operate during a geopolitical rupture. These objectives overlap, but they are not interchangeable. A strategy that does not separate them cannot allocate capital rationally.

The United States and China are not simply two collections of vendors. Each links capital, energy, industrial policy, hardware, software, procurement, national security, and domestic demand. The mechanisms differ sharply. The United States uses deep capital markets, hyperscaler purchasing power, export controls, and platform ecosystems. China uses state coordination, manufacturing scale, national compute networks, data controls, and a large domestic application market. Europe has fragments of both models without the same speed, concentration, or fiscal authority.

That does not make a third axis impossible. It makes the design problem different. Europe can be strategically relevant if it controls the interfaces that determine where workloads run, which evidence is trusted, who can access data and keys, how systems fail over, and whether buyers can exit. This control plane can sit above imported components while reducing the cost of supplier substitution. The design is selective because physical independence is reserved for workloads whose failure would impair the state, critical infrastructure, defense, or systemic financial functions.

1.1 What the thesis rejects

1. Autarky as the default. Rebuilding every layer domestically would consume capital without eliminating dependencies in equipment, materials, memory, software, and energy.
2. Residency as a sufficient condition. A server in Frankfurt does not answer who can operate it, compel access, or prevent a price shock.
3. Regulation as an industrial substitute. Rules can create trust and interoperability, but they cannot fabricate high-bandwidth memory (HBM) or connect a campus to the grid.
4. Public compute without market formation. A machine that is impressive on a benchmark but disconnected from customer demand is infrastructure, not an ecosystem.
5. A single sovereignty tier. Workloads have different criticality, switching cost, latency, data, and continuity requirements.

1.2 What the thesis requires

Control surface	Minimum European capability	Test of real control
Identity and keys	EU-controlled root identities, keys, and privileged access	A non-EU operator cannot silently assume control
Workload routing	Policy-based placement across providers and sites	A critical workload can move within its recovery objective
Evidence	Portable logs, lineage, evaluation, and incident records	A regulator or customer can reconstruct material decisions

Control surface	Minimum European capability	Test of real control
Contracts	Capacity options, price protections, audit rights, and termination assistance	Commercial pressure does not erase the exit path
Software portability	Open interfaces, containerized execution, and model-format discipline	The application does not depend on one proprietary runtime
Fallback capacity	Reserved European capacity for narrowly defined critical workloads	The service can continue during a supplier or jurisdictional shock
Energy continuity	Power contracts, connection milestones, and demand-response design	The site remains operable under grid stress and price volatility

Table 4. What the thesis requires.

RefleXio thesis. The strategic unit is not the data center, the chip, or the model. It is the institution's ability to preserve a critical outcome when one of those components becomes unavailable or unacceptable.

2. The physical stack and the asymmetric reality

THE SUBSTRATE

Europe owns a world-class chokepoint and rents most of the system around it.

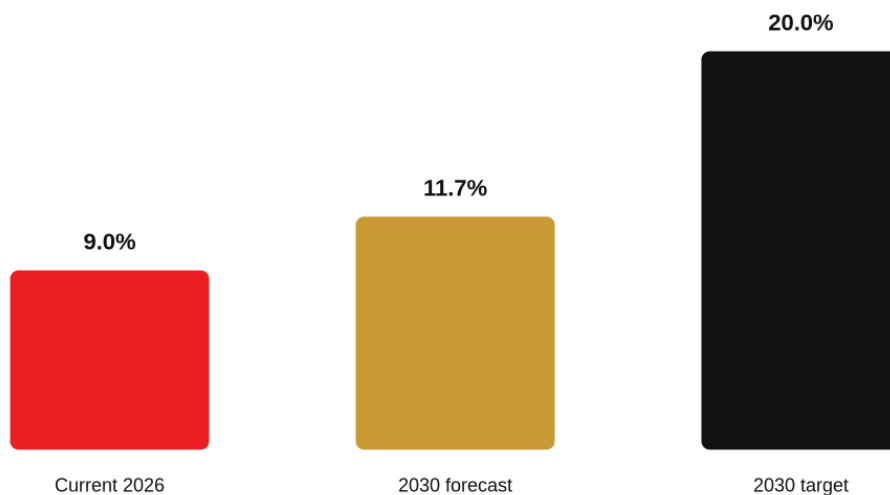
ASML is the strongest European asset in the global AI hardware chain. Its Q2 2026 results showed €9.3 billion in sales, €2.9 billion in net income, and a raised full-year outlook of €43 billion to €45 billion (ASML, 2026). AI demand is expanding the company's visibility across logic and memory customers. That is strategic leverage in the clearest sense.

It is not the same as a European AI accelerator ecosystem. ASML sells lithography systems to global foundries and memory manufacturers. The dominant accelerators remain designed primarily by US firms, manufactured predominantly in Asia, connected through proprietary or vendor-led fabrics, and programmed through software ecosystems that Europe does not control. High-bandwidth memory remains concentrated among Asian and US-linked suppliers. The gap between equipment power and stack ownership is the heart of the European paradox.

The European Court of Auditors made the macro version of the same point in Special Report 12/2025 (European Court of Auditors, 2025). The Chips Act strengthened research and mobilized investment, but the current trajectory is unlikely to reach the 20% global market-share target by 2030. A Commission forecast of July 2024, quoted by the Court, predicts 11.7% by 2030, which is above the current 9% level and still far below the political objective. More important, a revenue-share target says little about whether Europe can secure the specific components that constrain AI systems.

The semiconductor target has already lost contact with its trajectory

EU share of global semiconductor value-chain revenue



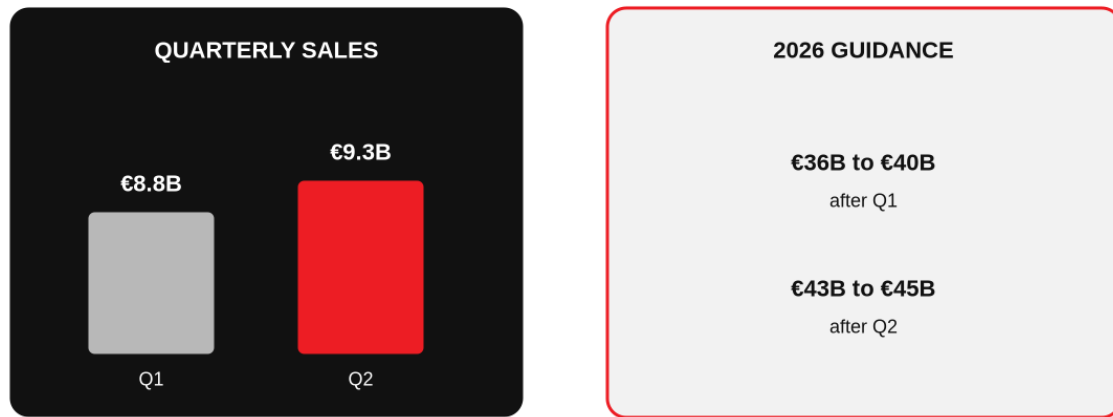
A target can be inspirational. A forecast is what the factories have to live with.

Figure 2. The EU semiconductor market-share target is not supported by the current investment trajectory.

Source note. European Commission, State of the Digital Decade 2026, COM(2026) 288. European Court of Auditors, Special Report 12/2025, The EU's strategy for microchips.

ASML is a European chokepoint, not a European AI stack

Q2 2026 results and revised full-year outlook, EUR billions



The machine is European. The dominant AI accelerator, memory, and software ecosystems are not.

Strategic leverage is real. Strategic completeness is not.

Figure 3. ASML's performance demonstrates chokepoint strength without stack completeness.

Source note. ASML Holding N.V., Q1 2026 and Q2 2026 financial results.

2.1 The eight layers

The eight-layer stack exposes Europe's asymmetric position

RefleXio assessment based on official capacity, market, policy, and company disclosures through August 2026

	Europe	United States	China
Accelerators	Asymmetric	Dominant	Contested
HBM and memory	Import dependent	Strong	Constrained
Interconnect	Weak	Dominant	Scaling
Cloud platform	15% EU providers	Dominant	State directed
Models	Selective strength	59 notable	35 notable
Governance	Rule setter	Fragmented	State embedded
Energy and sites	Costly and slow	Scaling	Coordinated
Industrial demand	Deep verticals	Deep software	Scale markets

Europe has leverage in selected layers. It does not have a self-sufficient stack.

Figure 4. Europe's position changes radically by layer, which makes a single sovereignty score misleading.

Source note. RefleXio Intelligence assessment based on the primary sources listed in Appendix A.

Layer	European asset	Structural dependency	Priority through 2030
Accelerators	Research, SiPearl, selected startups, EuroHPC procurement	NVIDIA, AMD, foundries, packaging	Multi-vendor procurement and portable runtimes
Memory	Research and equipment exposure through ASML	HBM supply and advanced packaging	Secure allocation and memory-aware inference design
Interconnect	HPC networking expertise and optical research	NVLink, InfiniBand, Ethernet scale ecosystems	Open fabric standards and disaggregated systems
Cloud	OVHcloud, Scaleway, regional providers, SAP, public-sector demand	AWS, Microsoft, Google platform breadth	Federation where useful and credible exit engineering
Models	Mistral, industrial models, multilingual assets, research depth	Frontier training capital and global distribution	Domain models, open weights, evaluation, and inference
Governance	AI Act, GDPR, sector regulation, standards capacity	Implementation tooling and harmonized standards remain incomplete	Compliance as executable infrastructure
Energy	Renewables, nuclear fleets in selected markets, industrial heat opportunities	Grid queues, high prices, permits, local opposition	Time-to-power contracts and flexible demand
Demand	Automotive, industrial, health, energy, public services, finance	Fragmented procurement and slow scaling	Anchor customers and repeat production contracts

Table 5. The eight layers.

2.2 Why the software layer matters more after hardware improves

Hardware competition does not automatically weaken platform dependence. Faster accelerators can deepen the value of the software, networking, observability, and operational systems around them. NVIDIA's Q2 FY2027 Data Center revenue of \$89 billion illustrates the scale at which hardware and platform economics are compounding (NVIDIA, 2026). AMD's Data Center segment reached \$6.7 billion in Q2 2026, more than double the prior-year quarter (AMD, 2026), which is a meaningful counterweight but still a much smaller scale.

Europe should welcome competition between accelerator platforms while avoiding the assumption that a second US supplier creates European sovereignty. The relevant outcome is lower switching cost. That requires model-format discipline, open orchestration, reproducible evaluation, hardware-aware schedulers, and contracts that prevent capacity reservations from becoming permanent architectural commitments.

The irony is simple. Europe can spend billions buying more accelerators and become less sovereign if every new cluster strengthens a single runtime, toolchain, and operating model. Hardware acquisition and dependency reduction are not synonyms.

3. Capital, scale, and the demand problem

THE FINANCING GAP

Europe's problem is not a shortage of startups. It is the absence of enough customers and capital willing to make a few of them very large.

Stanford's 2026 AI Index reports \$285.9 billion of US private AI investment in 2025 and \$12.4 billion in China (Stanford HAI, 2026). The European series, which includes the EU and the United Kingdom, reached roughly \$20.9 billion. The US total was therefore close to fourteen times the European total. Private investment understates China's state-guided capital, while Europe's total includes the United Kingdom. Even with those caveats, the scale asymmetry is not subtle.

The more revealing comparison is company formation versus scale. Europe continues to create AI companies and maintains strong research, but its firms face a fragmented commercial market, thinner late-stage financing, lower hyperscaler-style procurement, and fewer domestic anchor customers willing to commit billions before demand is fully proven. Investors do not merely fund ideas. They fund the expectation of market power, distribution, and repeat purchasing.

Mistral's €1.7 billion Series C of September 2025 at an €11.7 billion post-money valuation, led by ASML (Mistral AI, 2025), shows that Europe can assemble large rounds around a credible strategic asset. The transaction is important precisely because it is unusual. It also connects a European model company to the continent's most important semiconductor equipment company. That is an ecosystem move, not merely a financing event.

The capital gap widened at the scale layer

Private AI investment in 2025, USD billions. Europe includes the EU and United Kingdom in the Stanford series



Europe creates companies. The missing ingredient is the financing and demand needed to make them enormous.

Figure 5. Private AI investment in 2025 shows a scale gap that is much larger than Europe's research gap.

Source note. Stanford Institute for Human-Centered Artificial Intelligence, 2026 AI Index, Economy chapter. Europe includes the EU and the United Kingdom.

3.1 Public capital can crowd in capacity without creating a market

The EU has moved from dispersed support toward larger infrastructure programs. InvestAI framed €200 billion of mobilized AI investment, including a €20 billion fund for AI Gigafactories. The July 2026

EuroHPC call targeted more than €30 billion of investment through consortia or special-purpose vehicles (EuroHPC Joint Undertaking, 2026). The Commission estimates that expanding data-center capacity will require around €200 billion by 2036, with another €100 billion for the wider cloud and AI leadership initiatives and the deployment of AI Factories and Gigafactories (European Commission, 2026).

These figures describe capital ambition, not guaranteed capacity. Mobilized investment can include private capital that still needs bankable demand, permits, grid connections, equipment, and operating economics. A consortium can win a call and still lose three years to power. A site can be built and still fail to create a software ecosystem. The difference between an announcement and an industrial asset is utilization under a repeatable commercial model.

Public finance should therefore buy measurable options. Every supported facility should disclose contracted power, accelerator delivery, commercial utilization, SME access, customer concentration, energy intensity, and the share of workloads that can migrate across hardware families. Without those metrics, Europe will know how much money it announced and not what capability it purchased.

3.2 Capital-allocation rules

Funding object	Finance only when	Do not finance when	Primary success metric
Training cluster	Anchor users commit multi-year workloads and power is contracted	The model is a general aspiration with no distribution path	Paid utilization and model output
Inference reserve	Critical sectors define recovery and capacity requirements	The reserve is open-ended capacity without dispatch rules	Time to activate and accepted-task cost
Cloud platform	The provider has repeatable software, support, and switching economics	The proposal is mostly local hosting around third-party control planes	Net revenue retention and migration success
Open software	A buyer coalition commits to production use	The project has governance but no operators	Production workloads and maintainer depth
Grid and energy	The investment unlocks strategic sites with flexible demand	The site depends on speculative connection dates	Energized megawatts and connection reliability
Domain models	The data rights, workflow owner, evaluation, and buyer are identified	The project begins with a model and searches later for a process	Accepted outcomes per euro

Table 6. Capital-allocation rules.

Capital discipline. Europe should fund systems that create bargaining power and recurring demand. Funding a European flag on top of a permanent foreign control plane does not create either.

4. Cloud control and the sovereignty test

THE MARKET STRUCTURE

European cloud demand grew while European provider share fell. Sovereignty policy arrived after concentration, not before it.

The Cloud and AI Development Act proposal contains one of the clearest official statements of the problem (European Commission, 2026). EU providers held 29% of the European cloud infrastructure market in 2017, fell to 15% in 2022, and were still at 15% in 2026. Amazon, Microsoft, and Google together held about 70% of that market in 2024. The series measures cloud infrastructure services, covering IaaS, PaaS and hosted private cloud, and is a Synergy Research Group estimate rather than an official statistic (Synergy Research Group, 2025). The Commission opened market investigations into AWS and Microsoft Azure under the Digital Markets Act (DMA), Regulation (EU) 2022/1925 (European Parliament and Council of the European Union, 2022), on November 18, 2025, and on June 25, 2026 reached a preliminary position that both services should be designated, finding them an important gateway between businesses and their customers in the EU (European Commission, 2026).

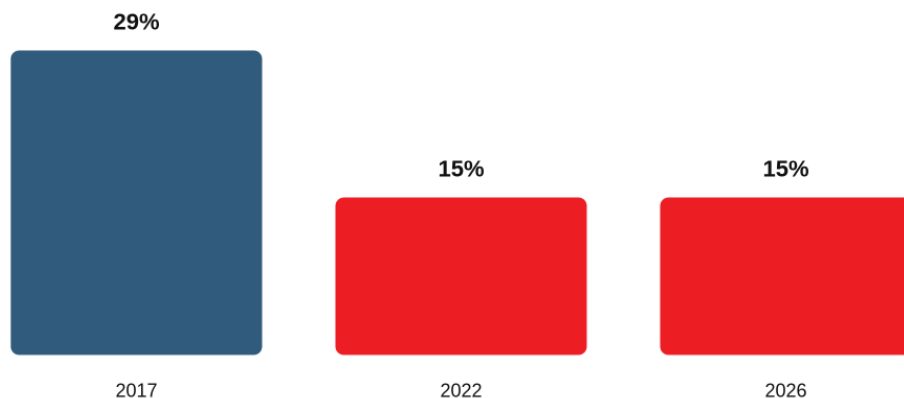
At the same time, AWS brought its European Sovereign Cloud into general availability in January 2026 (Amazon Web Services, 2026). AWS states that the Brandenburg region is physically and logically separate from other AWS regions, operated by EU residents, and designed with EU-located identity, billing, metadata, and operational controls. These are vendor claims and have not been independently verified. AWS plans more than €7.8 billion of investment in Germany and local-zone expansion into Belgium, the Netherlands, and Portugal.

This is not a trivial wrapper. It improves physical and operational conditions for customers that need them. It also does not make AWS a European-owned platform or remove every question created by corporate control and extraterritorial law. The strategically mature response is to test the service against the workload rather than reject or bless it by nationality.

European cloud ownership declined while cloud demand expanded

Market share of EU cloud providers and the concentration of the European market

EU provider share



The market did not wait for sovereignty definitions.

Top three non-EU firms >70%

Figure 6. European cloud-provider share fell by almost half before sovereignty policy became a market priority.

Source note. European Commission, Proposal for the Cloud and AI Development Act (CADA), COM(2026) 502 final.