Google Cloud Press Corner

Europe Must Accelerate Cloud Investment to Unlock €1.2 Trillion in AI-Driven Growth, According to New Google Cloud Report

Report urges EU policymakers to provide ‘cloud clarity now’ by setting out a unified, pro-competitive policy framework which prioritises choice, innovation, and control

MUNICH – Nov. 12, 2025 – Europe should more quickly accelerate cloud adoption, establish sustainable digital infrastructure, and capitalize on artificial intelligence (AI) innovation to unlock €1.2 trillion in growth, according to a new report released today from Implement Consulting Group in collaboration with Google Cloud.

Titled *Digital Innovation with Control: Clearing the Cloud* and released at the Google Cloud Digital Sovereignty Summit today in Munich, the report outlines a clear roadmap for achieving digital sovereignty through innovation – with control. It concludes that Europe’s future competitiveness and prosperity depends on an open and competitive investment climate where Europe can leverage the best technology to capture the economic potential of AI.

According to the report, Europe’s AI value chain - application and services software, infrastructure and foundation models - could contribute €200 billion to GDP by 2034. A staggering 75% of that potential comes from AI applications and services. This value chain will be built on world-class cloud infrastructure.

To unlock this value, the report states that Europe must triple its data centre capacity within the next five to seven years, requiring an estimated €400 billion investment in data centres and associated digital infrastructure. That will best be achieved if Europe maintains an open investment climate.

Innovation with control

A critical insight from the study is that European digital sovereignty is not a choice between innovation and control, but rather the convergence of the two. And maintaining an open and competitive European cloud market is essential to achieving this, specifically to:

- Access the world’s most advanced AI technologies
- Ensure strong cybersecurity and resilience
- Achieve sustainability through highly efficient hyperscale data centres
- Preserve strategic autonomy through clear, harmonised rules and cooperation

“The EU’s digital future is a transformative opportunity” said Giorgia Abeltino, Head Of Government Affairs & Public Policy, Google Cloud Europe. “An open, secure and multi-cloud ecosystem delivered against sovereignty principles will not only empower businesses and governments to pursue AI innovation responsibly, but also strengthen European resilience and drive sustainable economic growth. We encourage policymakers to create the best conditions for investment in AI and cloud infrastructure through mandating choice and the establishment of an efficient, secure and clean cloud environment across Europe.”

“This report brings into stark focus both the scale of the opportunity, and an urgent need to close the cloud gap necessary for growth,” adds Martin Thelle, Senior Partner and Head of the Economics Practice, Implement Consulting Group. “Europe can only truly achieve digital sovereignty when innovation is balanced against control. A framework which therefore ensures choice, resilience and scale will expedite Europe’s AI opportunity while safeguarding its autonomy and integrity.”

A Call to Action

The report urges EU policymakers to provide “cloud clarity now” by setting out a unified, pro-competitive policy framework that ensures:

- **Choice:** keeping the market open to trusted global and European providers and preventing artificial lock-in through restrictive licensing or other controls
- **Speed:** enabling private sector investment at scale within the next five to eight years
- **Simplicity:** reducing regulatory fragmentation and national “gold-plating” (the practice where national governments go beyond the minimum requirements set by EU legislation).
- **Security:** delivering a secure cloud with European control, ensuring a secure multi-cloud environment that provides European resilience and control

About the Report

*Digital Innovation with Control: Clearing the Cloud*was prepared by Implement Consulting Group in collaboration with Google Cloud for the Digital Sovereignty Summit 2025 in Munich. The report examines policy and investment pathways to expand Europe's cloud capacity, strengthen AI adoption, and achieve digital sovereignty through innovation with control.

About Google Cloud

Google Cloud is the new way to the cloud, providing AI, infrastructure, developer, data, security, and collaboration tools built for today and tomorrow. Google Cloud offers a powerful, fully integrated and optimized AI stack with its own planet-scale infrastructure, custom-built chips, generative AI models and development platform, as well as AI-powered applications, to help organizations transform. Customers in more than 200 countries and territories turn to Google Cloud as their trusted technology partner.

About Implement Consulting Group

Implement Economics is the economics expert unit of Implement Consulting Group, a Nordic-headquartered management consultancy.

The team advises corporate and government decision-makers on digitalisation, regulation, and international trade, and has delivered a series of impact assessments for the European Commission and governments in Europe, Asia, and the Americas.

The team applies economic modelling, data analytics and econometrics to help solve worthwhile problems

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