Unlock the benefits of Sovereign Cloud

Accenture, Avanade and Microsoft deliver a mature, trusted cloud solution for governments seeking to transform their services.









What if you can have it all?

As children, we were taught we couldn't have our cake and eat it too. That life was about choices and compromises. That we couldn't have it all.

When it comes to technology, governments around the world feel caught by the need for choices and compromises. They need infrastructures that scale to support entire national, and even continental, populations, far more than most corporations need to manage. At the same time, they've felt the solutions adopted by those corporations – especially the cloud – have been out of reach for reasons of cost or security or public policy.

But what if governments can have their technology cake and eat it too? What if they can have it all – at least in a way that means they don't have to choose between these sets of technology options? What if they can have the innovation, agility and scalability of the public cloud while meeting the data privacy and security needs of their citizens and other stakeholders?



The cloud's proven benefits

The growth in cloud computing is, well, stratospheric. The global cloud computing market is projected to see an 18% CAGR over the next few years, reaching \$546 billion by 2027.[1] Meanwhile, cloud computing in Europe may grow even faster, with a 22% CAGR to \$258 billion by 2026.[2]

There are great reasons for this growth. Organizations are optimizing their costs by avoiding the upfront capital expense of building new datacenter capacity, and the continuing costs of staffing, powering and maintaining those facilities. They can get the speed, performance and reliability they need – and pay only for what they need when they need it. They avoid destabilizing overloads and costly unused capacity as demand swings both high and low.

The innovations that organizations want – such as the latest security practices, technologies and controls - come first, or only, to the public cloud. Generative AI, for another example, can boost team productivity by finding unstructured data across the organization, spur creativity for writers and engineers by creating documents and images to consider, boost customer service with more human-like interaction, and accelerate code development for IT. But generative AI like this happens only in the public cloud. Governments know this and it's accelerating their interest in migrating from legacy mainframes that can't offer this innovation.

Organizations are finding more reasons to move to the cloud. For example, 89% of European organizations in a recent Accenture survey said the Russia-Ukraine war, with its on-theground devastation including harm to physical datacenters, has strengthened their focus on the cloud.[3] So have governments' needs to embrace sustainability and more rigorous regulatory compliance.

Spain speeds judicial processes with Microsoft Cloud AI

Accenture are working with Spain's Ministry of Justice to simplify how critical information about judicial processes is accessed, using large language models (LLMs). Deployed on Microsoft Cloud, we've designed Delfos, an Al-powered search engine for judges, prosecutors, defense lawyers, and citizens. Delfos gives these people a quick, efficient way to learn about judicial processes, by finding and simplifying information buried within hundreds of thousands of complex documents.

^[1] Cloud Computing Market, November 2022.

^[2] European Cloud Spending Will Reach \$148 billion this year, IDC, February 9, 2023.

^[3] Sovereign Cloud: Take control of data and stay compliant, Accenture, May 24, 2023.

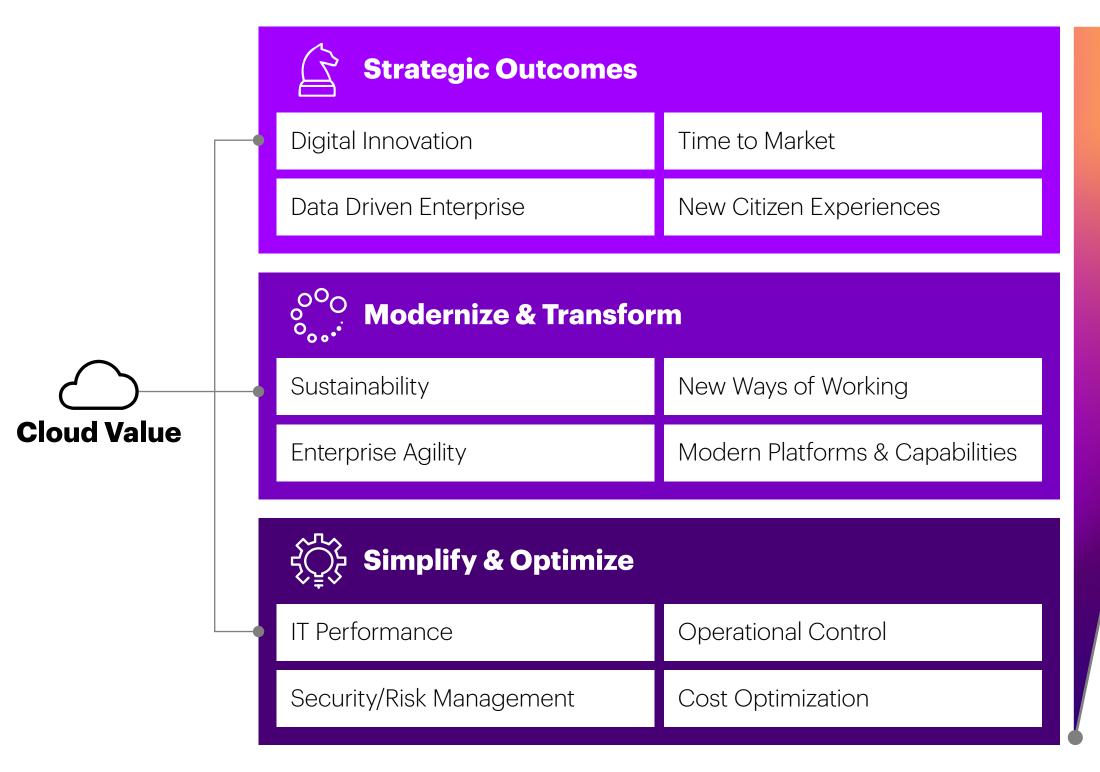


It's also true that many if not most organizations can derive greater value from the cloud the more – and more ways – they use it. At the most basic level, using the cloud to **simplify and optimize** your operations produces better flexibility and risk management, stronger security, operational control and cost optimization. Think of it as strengthening your roots.

Organizations can increase the value they get from the cloud as they use it to **modernize and transform**. They can leverage

the cloud to become sustainable enterprises with modern architectures and innovative ways of working with organizations, citizens, IT and other stakeholders.

The greatest value comes from using the cloud to **drive strategic outcomes**, such as delivering innovative, digital and data-driven solutions and citizen experiences better and faster than before.



Cloud Value for the Enterprise

Government cloud adoption in Europe faces challenges

Governments are under many of the same technology-based pressures as are businesses: To do more with less; provide faster, more reliable services and better citizen/customer experiences; and help to ensure the security of citizen/customer data.

Yet governments often face challenges that they think may stand in the way of cloud adoption. Governments need digital sovereignty, the ability to protect data, apps and infrastructure. That's why 137 out of 194 countries have laws to regulate the processing of data to protect national interests and the privacy of users, [4] with the EU's General Data Protection Regulation (GDPR) being a prime

example. Governments, non-governmental organizations, heavily regulated industries – and, in the case of the GDPR, nearly all companies that process personal data^[5] – must comply with those laws.

That regulatory environment is complex and needs careful navigation as part of a move to the cloud. Where that cloud resides is a key complication, with digital sovereignty typically requiring that data remain under a nation's jurisdiction and even within its borders. Differences in the levels of data's strategic value and confidentiality add to the challenge of ensuring that governments adopt the right cloud technology.

[4] Data Protection and Privacy Legislation Worldwide.

[5] Who does the data protection law apply to?



Private cloud doesn't deliver the benefits of cloud

To gain the benefits of the cloud while meeting the requirements of digital sovereignty, some governments have adopted or are now adopting private clouds.

A private cloud is a computing service delivered over a private internal network or the Internet and only to select users instead of the general public. The organization that owns the private cloud – or on whose behalf it is operated – makes all the hardware and software choices, so it has complete control over them.

But that's a privilege that comes at a cost. Private clouds require the same staffing, management, and maintenance expense as traditional datacenters. That's a hefty price compared to the cost effectiveness of subscription-based, pay-as-you-go public cloud services and the wider innovation that is driven by them.

There are some atypical cases in which governments require a private cloud and private datacenters. But those cases are unlikely to offer the speed and level of innovations – such as generative AI – that users expect. And they're only as secure as their owner/operators keep them, requiring additional security expertise and resources. Under some configurations, that may be less secure than a public cloud offered by a major provider that continually develops and deploys best practices, processes and technologies for advanced levels of cybersecurity.

Some governments may turn to private clouds as a potential solution to the challenges of digital sovereignty. But those clouds offer a subset of the benefits of public cloud, while leaving their users open to greater risk and cost.

Poste Italiane boosts productivity 20% and saves €20 million a year

In addition to its marquee service, Poste Italiane also provides banking, telecommunications and insurance services – from more than 12,000 branches and with 129,000 employees.

When it sought to centralize and streamline its seven IT systems to boost data quality, reduce costs and speed up transactions, Accenture, Avanade and Microsoft helped deliver an SAP S/4HANA system running on Azure.

The results: Poste Italiane got faster, more reliable, flexible and productive system it wanted. Customization is down by 90%, sales and procurement productivity is up 20%, 70% of control processes are now automated, and Poste Italiane saves €20 million a year.

Microsoft Cloud for Sovereignty is a breakthrough solution

Introduced in 2022, Microsoft Cloud for Sovereignty enables governments to build and digitally transform workloads in the Microsoft Cloud while helping them to meet many of their specific compliance, security and policy requirements.

Microsoft Cloud for Sovereignty delivers only-in-the-publiccloud innovations, such as generative AI that governments seek in order to deliver better experiences to both their citizens and their workers. And it expands the options of the on-premises datacenter and public cloud to which governments were previously limited. Simply put, it enables governments to do what matters.

The offering creates software boundaries in the cloud to establish the extra protection that governments require, leveraging hardware-based confidentiality and encryption controls. It solves the challenges that face governments that want to move to the cloud, avoids the tradeoffs otherwise inherent in private cloud options, and delivers the cost, performance and security benefits of public cloud.

Microsoft Cloud for Sovereignty Solutions Overview

Classified Data

Sensitive Data

Public Data



On-Premise

- Dedicated On-Prem Data Center
- Leveraging dedicated or virtualized hardware
- In-Country
- Limited Data Interoperability
- Lacks Innovation



Endorsed Asset/Technology Operator



Microsoft Cloud for Sovereignty

- Sovereign Control Portfolio
- Sovereign Guardrails & Guidance
- Compliance & Transparency
- Public Cloud Capabilities



Endorsed Cloud Provider



Endorsed Encryption Manager

Public Cloud

- Commercial public cloud construct
- National standards endorsed
- Specialized T&Cs
- Dynamic number of data centers
- Services offered as "compliant"



NativeHyperscaler

Level of Trust

Level of Innovation/Level of Cost Effectiveness

Unlock the benefits of Sovereign Cloud

It's a sovereign cloud solution that offers both trust and innovation, rather than forcing government customers into tradeoffs between them. And it's an ideal destination for a government's journey to the cloud, whether a government is starting that journey from a traditional datacenter, a private cloud or other point of origin.

Among the features you get with Microsoft Cloud for Sovereignty are the following:

Sovereign Control Portfolio – Protect workloads from outside access using advanced sovereignty and encryption controls such as confidential computing and cloud HSMs.

Sovereign Guardrails & Guidance - Get access to codified architectures, workload templates, and tooling to assist in creating compliant architectures and answer sovereign questions.

Compliance & Transparency – Ensure local compliance with policy packs for your region and increased transparency over – and into – your environment's operations.

Public Cloud Capabilities - Get the innovation, scale, and security of the public cloud, with capabilities significantly beyond private or on-prem datacenters.



Finnish solution is "perfect example" of successful digital citizen services"

Finland's State Treasury gave us just six weeks to produce a highly automated cloud-based solution to process business applications for a new subsidies program. We created a scalable infrastructure on Azure that handled 97% of all subsidy applications, automated 80% of the service, maintained security, and integrated with the tax administration to verify eligibility.

The award-winning solution's quick payments saved hundreds of entrepreneurs from bankruptcy. The government called it a perfect example of successful digital citizen services.

Accenture, Avanade and Microsoft deliver your sovereign cloud solution

Our collective ability to successfully implement **Microsoft Cloud for Sovereignty comes from** the 23-year partnership of Accenture, Avanade and Microsoft. That partnership brings together the power of Microsoft's trusted and complete enterprise platform, Accenture's unrivaled industry and transformation experience, and **Avanade's implementation and technical** expertise as the world's leading Microsoft technology partner.

Together, we offer government clients:

The world's largest network of datacenters, which best positions us to provide governments with sovereign cloud solutions that are likely to meet data residency requirements wherever they are.

Four sovereign cloud centers of excellence, already in operation, with more in the process of deployment in the physical world and the metaverse, which demonstrate our commitment to digital sovereignty solutions.

The most mature and proven cloud-migration offerings, with the best methodologies, tools and experienced teams to deliver timely, successful and reliable migrations to the Microsoft Cloud.

A global network of in-country expertise and resources to design and manage your sovereign cloud solution, including 82 locations across 26 countries.

A knowledge of government and the public sector and an understanding of what it takes to successfully implement cloud solutions across government ministries and agencies.

Our credentials also include:



2022 Microsoft **Global Alliance SI** Partner of the Year for the 17th time



More certified professionals for Microsoft Azure than any other Microsoft partner



IDC Marketscape leader for Microsoft Implementation Services



10,000 projects with 4,000+ global clients since inception

Unlock the benefits of Sovereign Cloud

Get in touch to learn how Accenture, Avanade and Microsoft can deliver your sovereign cloud solution so that you can have your technology cake and eat it too.

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About Accenture

Accenture is a global professional services company with leading capabilities in digital, cloud and security. Combining unmatched experience and specialized skills across more than 40 industries, we offer Strategy and Consulting, Technology and Operations services and Accenture Song — all powered by the world's largest network of Advanced Technology and Intelligent Operations centers. Our 721,000 people deliver on the promise of technology and human ingenuity every day, serving clients in more than 120 countries. We embrace the power of change to create value and shared success for our clients, people, shareholders, partners and communities. Visit us at <u>accenture.com</u>.

About Avanade

Avanade is the leading provider of innovative digital, cloud and advisory services, industry solutions and design-led experiences across the Microsoft ecosystem. Every day, our 60,000 professionals in 26 countries make a genuine human impact for our clients, their employees and their customers.

With the most Microsoft certifications (60,000+) and 18 (out of 18) Gold-level Microsoft competencies, we are uniquely positioned to help businesses grow and solve their toughest challenges.

As a responsible business, we are building a sustainable world and helping young people from underrepresented communities fulfill their potential.

Avanade was founded in 2000 by Accenture LLP and Microsoft Corporation. Learn more at www.avanade.com.

About Microsoft

Microsoft (Nasdaq "MSFT" @Microsoft) enables digital transformation for the era of an intelligent cloud and an intelligent edge. Its mission is to empower every person and every organization on the planet to achieve more.