What is GAIA-X and What Do I Need To Know?

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On 15 October 2020, **EU member state signatories agreed to work together towards a European cloud federation initiative** to shape the next generation secure, energy-efficient and interoperable cloud supply for Europe. The European Commission and the German Presidency of the Council of the European Union welcomed the political will expressed by 25 member states on the next generation cloud for Europe. This secure and competitive cloud offering is essential to provide the trustworthy data processing infrastructure and services that public administrations, businesses and citizens require in Europe.

In this joint declaration, the signatories highlighted, *inter alia*, that:

- Data is at the centre of the digital transformation and is an essential resource for Europe's recovery, long-term competitiveness and climate sustainability. The current COVID-19 crisis has further highlighted how crucial the availability of a wide range of digital technologies is for Europe's economy and society. The benefits of cloud remain largely untapped by EU businesses and the public sector. However, figures from the IDC and Synergy Research Group suggest the public cloud infrastructure market is converging globally around four large non-European players. This situation raises concerns over cloud users' ability to maintain control over strategic and sensitive personal and non-personal data.

- The EU has a unique opportunity to address the need for more data sharing and decentralised data processing, closer to the user (at the edge). The next generation EU cloud offering should meet the needs of EU businesses and the public sector. As announced in the EU Data Strategy, member states and industry are invited to co-invest with the Commission in the European cloud federation and common data spaces. The Commission aims at financing €2 billion in this area over 2021 – 2027, drawing upon different spending programmes, including the Digital Europe Programme, Connecting Europe Facility 2 and the financial instrument InvestEU. The proposed Recovery and Resilience Facility will make additional financing available for member states (20% of the Recovery and Resilience Facility should be invested for the digital transition) to upgrade their existing data infrastructures and stimulate cloud uptake. As a result, the total funding in cloud and data could reach up to €10 billion.

So much for the political intentions, but a number of questions remain open:

What is GAIA-X?

Europe is pushing for more independence from cloud giants in the US and China with GAIA-X, which aims to create an ecosystem of cloud and data services protected by EU laws. **GAIA-X** is an initiative that hopes to **create a unified ecosystem of cloud and data services protected by European data laws**.

GAIA-X Tasks

Creation of Framework Conditions
- Architecture
- Interfaces
- Data classification
- Processes between players
- Interoperability and interconnectivity

Governance Rules
- Terms and conditions
- List of participants
- Rules and "data contracts"
- Certification

Coordination of Operations
- Necessary central services

Source: BMWi/Germany 2019. Translated into English.

The system would see various suppliers of cloud services linked up via an interoperable data exchange that would act as a vessel for data across industries. It will also act as a repository that businesses can search when looking for specific data services – such as artificial intelligence (AI), Internet of Things (IoT), analytics and big data.

It is not so much poised as a rival to Amazon, Google and Microsoft's cloud platforms as it is an attempt to link existing cloud services from European companies into a unified ecosystem. As well as making domestic cloud providers more visible, GAIA-X will make it easier for businesses across various industries – such as healthcare, agriculture, finance, energy and public services – to exchange data.

With GAIA-X, representatives from politics, business and science from France and Germany, together with other European partners, created a proposal for the next generation of a data infrastructure for Europe: a secure, federated system that meets the highest standards of digital sovereignty while promoting innovation. This project is the cradle of an open, transparent digital ecosystem, where data and services can be made available, collated and shared in an environment of trust.

GAIA-X is a project initiated by Europe for Europe. Its aim is to develop common requirements for a European data infrastructure. Therefore, openness, transparency and the ability to connect to other European countries are central to GAIA-X. Representatives from seven European countries are currently involved in the project, with an invitation to other European partners to join the project and to contribute to its development. Many dialogues are already underway and will be further intensified. Furthermore, GAIA-X is in continuous exchange with the European Commission.

The GAIA-X Initiative announced on 15 September that it is one step closer to its goal of a trustworthy, sovereign digital infrastructure for Europe, with the official signing of incorporation papers for GAIA-X *association internationale sans but lucratif* (AISBL), a non-profit association that will take the project to the next level. The initiative's 22 founding members signed the documents in Brussels to create an association for securing funding and commitment from members to fulfil the initiative's vision for Europe.

- On 4 June 2020, the German and French Ministers of the economy, Peter Altmaier and Bruno Le Maire, hosted a joint (online) event to formally unveil the technical architecture, policy rules and architecture of standards of GAIA-X, as well as to announce the creation of a legal entity, the GAIA-X Foundation ASBL. The event also officially disclosed the names of the 22 founding members (3DS Outscale, Amadeus, Atos, Beckhoff, BMW, Bosch, CISPE, DE-CIX, Deutsche Telekom, Docaposte, EDF, GEC, Fraunhofer, IDS Association, IMT, Orange, OVH, Plusserver, Safran, SAP, Scaleway and Siemens).

- **All documents** are available on Data Infrastructure EU.

- "GAIA-X – the European project kicks off the next phase" – general press release.

- "GAIA-X: Driver of digital innovation in Europe – Featuring the next generation of data infrastructure" – An extensive description of the **mechanics of GAIA-X and the resulting opportunities** for both users and providers.

- "GAIA-X: A Pitch Towards Europe" – Status Report on **User Ecosystems and Requirements".**

- "GAIA-X Technical Architecture" – The principles on which the architecture should comply and the guidlines to enforce compliance.

- "Policy and Architecture of Standards" – The starting point for a European process in which the European rules, regulations, laws and policies relevant to GAIA-X are identified and compiled.

- 22 founding members signed GAIA-X Foundation AISBL (not yet formally set up under Belgium law).

Next Key Milestone for EU Cloud Strategy

Based on the joint declaration from the member states, the European Commission will announce a **European Alliance for Industrial Data and Cloud** (according to European Commission President von der Leyen "on the basis of GAIA-X") at the end of 2020, for kick off in 2021.

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