Digital Sovereignty

Taking control in a changing world

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Introduction

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Democratic sovereignty

Digital sovereignty

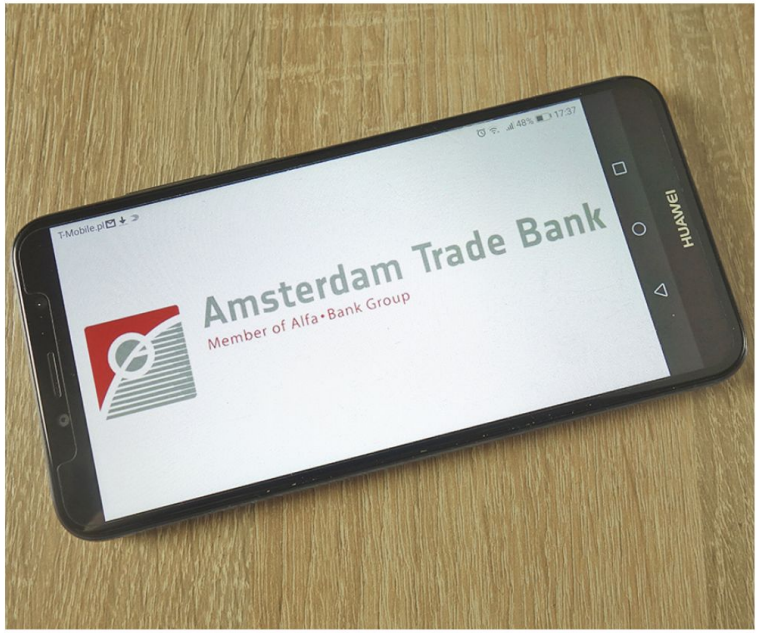
Territorial sovereignty

6 April 2022	The US, UK and EU unveil new sanctions against Moscow. US sanctions target Russian banks and elites, and include a ban on any American from investing in Russia as well as sanctions on Putin's adult daughters. The UK will impose an asset freeze on Russia's largest bank, place sanctions on eight

https://researchbriefings.files.parliament.uk/documents/CBP-9847/CBP-9847.pdf

Solvent but bankrupt: how sanctions felled Trade Bank

EUROPE / MAY 31, 2022 / BY JACOB ATKINS



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- Houthis raising billions of dollars from illicit fuel imports, UN says
- Trump may find Russia sanctions "stickier than expected"
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The writing was on the wall for the Amsterdam Trade Bank (ATB) when, after being sanctioned by the US in early April over its Russian ownership, Microsoft yanked the company's and staff's access to their email accounts.

The decision by the US software giant and notice of a similar planned move by Amazon, which provided cloud services to the Dutch lender, and other technology providers show how sanctions can cripple a bank's operations beyond the ramifications for its links to the financial system.

A Dutch court placed the bank – described at the time as a solvent and "healthy" business – **in the hands of bankruptcy trustees** on April 22, weeks after the US and UK imposed sanctions on the lender and its Russian parent company, Alfa Bank.

ATB said at the time that "the majority of the bank's counterparties" felt they could no longer do business with the lender, founded in 1994 ar which was until recently focused on commodities and shipping finance.

App

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https://www.gtreview.com/news/europe/solvent-but-bankrupt-how-sanctions-felled-amsterdam-trade-bank/

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Markets →

DOW	46,253.31	0.04% ▼
S&P 500	6,671.06	0.40% ▲
NASDAQ	22,670.08	0.66% ▲

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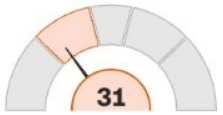

Fear
is driving the US market

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BUSINESS > TECH • 4 MIN READ

How a Dutch chipmaker got caught up in the US-China tech war

UPDATED 23 HR AGO

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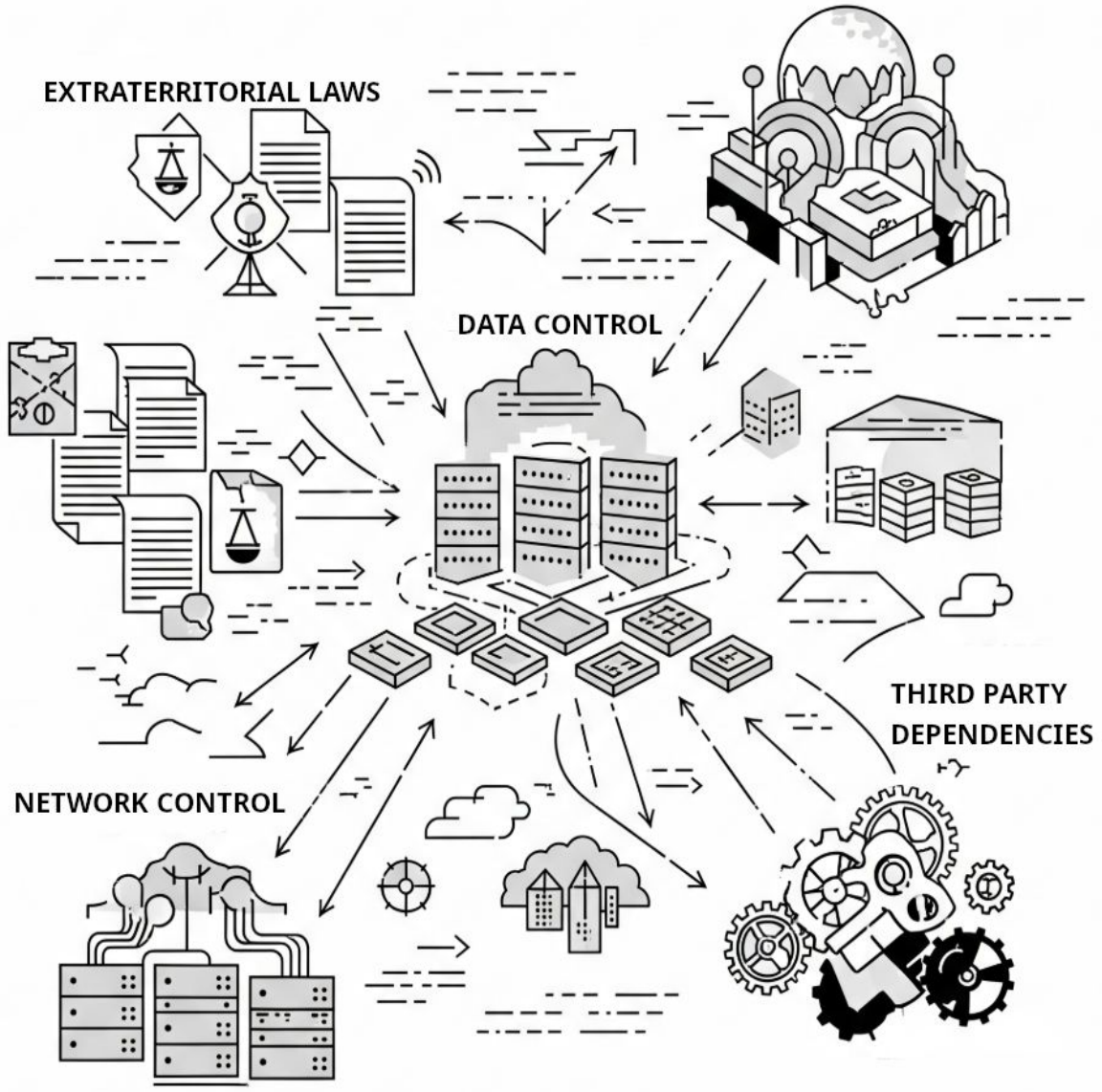
Red Hat Digital Sovereignty

Red Hat's Definition

We define digital sovereignty as the ability of an organization to ensure control over its own digital **infrastructure**, **data**, and **technology**.

Source: Red Hat's Point of View on Digital Sovereignty - Vincent Caldeira, 2023

Common Executive Challenges



- Digital sovereignty is a nebulous concept
- No one-size-fits-all approach to digital sovereignty
- Evolving legal landscape creates challenges
- Extraterritorial laws complicate data control
- Lack of data awareness is a significant issue
- Third-party dependencies pose risks
- High implementation costs are a deterrent
- Vendor lock-in and portability

The 4 Dimensions of Digital Sovereignty

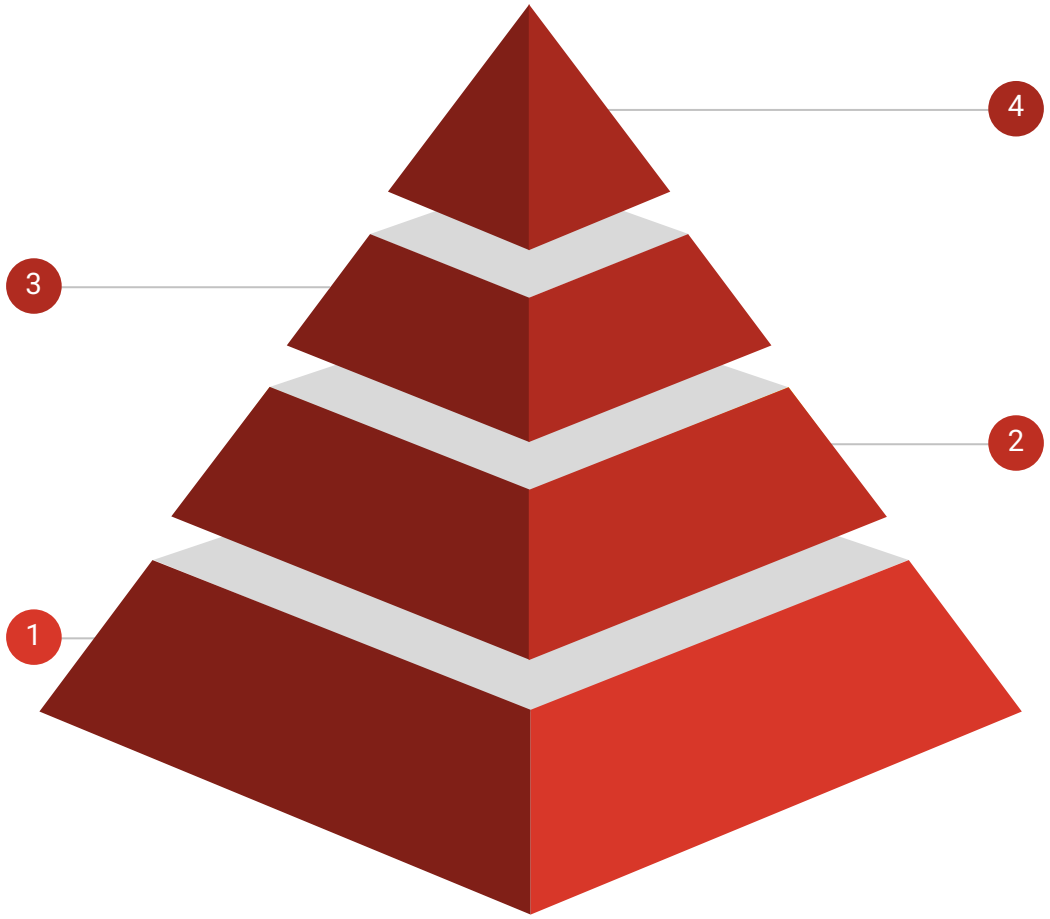
Digital Sovereignty is a continuum, reflecting a range of practices and policies that nations adopt to manage and control their digital assets, data, and technology infrastructure

Operational Sovereignty

Visibility and control over provider operations from provisioning and performance management, to monitoring of physical and digital access, to the infrastructure.

Data Sovereignty

Maintaining control over how data is collected, classified, processed and stored to ensure that data regulations are met



Assurance Sovereignty

Ability to independently verify and assure the integrity, security, and reliability of digital systems and processes including resilience of critical services.

Technical Sovereignty

Running workloads without dependence on a provider's infrastructure or software, and protected from all extra-territorial interference and scrutiny.

Sources:
"Sovereign Clouds and the Digital Sovereignty Imperative: Europe's Quest for Digital Independence" (IDC #EUR149098122, December 2022)
The Evolution of Digital Sovereignty: Moving Beyond Data and Cloud" (Rahiel Nasir, IDC, January 13, 2023)

The Digital Sovereignty Problem

A complex and multifaceted problem in today's interconnected digital world

Legal and Regulatory Challenges	Compliance with international data protection laws, privacy regulations, and cybersecurity mandates	EU's General Data Protection Regulation (GDPR) vs US Foreign Intelligence Surveillance Act (FISA 702)
Cybersecurity Risks	Protection of digital assets from cyber threats ability to maintain system integrity.	Cyber Resilience Act (EU) SOCI (Australia) Cybersecurity Act (Singapore)
Technological Innovation	Capacity for technological self-reliance and innovation to reduce operational, legal and commercial dependence on foreign technology providers	GaiaX (EU) Digital India Initiative Huawei / ZTE 5G Network technology
Operational Sovereignty and Resilience	Maintain control over and ensure the resilience of operational processes	DORA (EU) Basel Committee "Principles for Operational Resilience" (FSI)
Data Governance and Privacy	Control over the storager, access, management,, processing and flows of data within sovereign borders	137 out of 194 countries have already put in place legislation to secure the protection of data and privacy

Source:
"Sovereign Clouds and the Digital Sovereignty Imperative: Europe's Quest for Digital Independence" (IDC #EUR149098122, December 2022)

Red Hat's 5 Commitments To Digital Sovereignty [1]

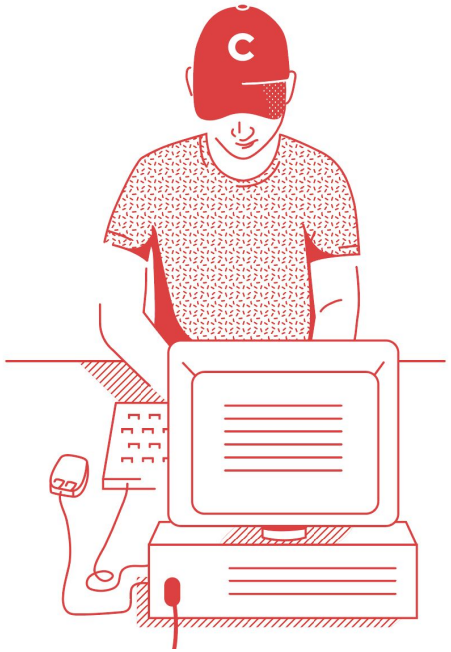
Red Hat commitments are centered on providing customers with the **control**, **trust**, and **resilience** they need in a sovereign environment

1. To provide a foundation of transparency and trust with open source software
2. To empower control and choice with a flexible open hybrid cloud approach
3. To enable robust protection, operational resilience and stability of critical infrastructure
4. To continue to build and collaborate with a strong ecosystem of local partners
5. To unlock the future of sovereign AI workloads

[1] https://www.redhat.com/en/blog/red-hats-commitments-sovereign-cloud-your-cloud-your-rules

What is “Open Source”?

Open source software is software with source code that anyone can inspect, modify, and enhance.



Use

Anyone can run the software for any purpose.

View

Anyone can see the source code and understand how the software works.

Modify

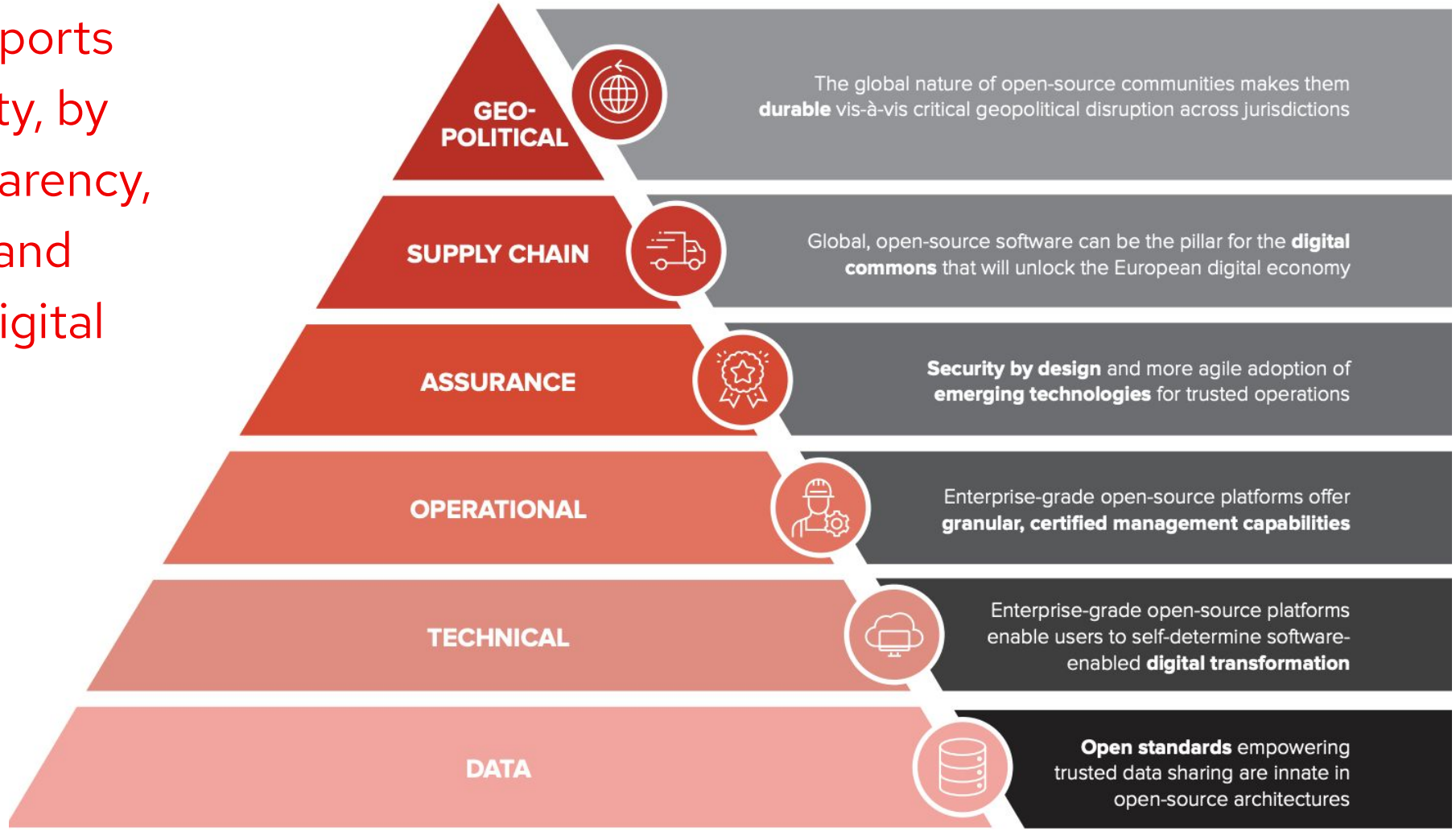
Enhancements, bug fixes, and solutions can come from anywhere—even outside your organization.

Share

Uniting contributors around a common vision, shared purpose, and collaborative spirit leads to new developments faster.

Open Source as an Accelerator to Digital Sovereignty

Open Source supports Digital Sovereignty, by promoting transparency, control, security, and resilience in the digital landscape



Sources:
"Open Source and Digital Sovereignty: Two Sides of the Same Coin" (IDC #EUR20220729, October 2022)

Delivering Consistency and Flexibility

any application, any infrastructure, any location

Traditional monolith apps

Cloud-native Microservices apps

ISV SaaS apps

Data & analytics apps

ML/AI apps

Red Hat open Ecosystem of (ISV) Solutions

Dev **Collaboration** Platform

Sec **OPEN HYBRID CLOUD**

- **Red Hat** Ansible Automation Platform
- **Red Hat** OpenShift
- **Red Hat** Enterprise Linux

Ops **Orchestration** Platform

Hybrid Infrastructure

Physical

Virtual

Private cloud

Public clouds

Edge

Red Hat

Delivering Technical Consistency and Flexibility

any application, any infrastructure, any location

Red Hat AI

AI Capabilities

Model Development | Serving | Lifecycle | Agentic | RAG | Fine Tuning

Red Hat Application Foundations

Middleware

Application Servers | Integration | Messaging

Red Hat Advanced Developer Suite

Advanced Development Capabilities

Internal Development Platform | Secure Software Delivery | Developer Tools

Red Hat OpenShift Platform Plus

Advanced Security & Management

Multicluster Management | Cluster Security | Cluster Data Management

Red Hat OpenShift Container Platform

Foundational Application Platform Capabilities

Service Mesh | Serverless | Builds | Pipelines | GitOps | Log Management | Cost Management

Kubernetes cluster services

Install | Over-the-air updates | Networking | Ingress | Storage | Monitoring | Log forwarding | Registry | Authorization | Containers | **VMs** | Operators | Helm

Kubernetes (orchestration)

Red Hat Enterprise Linux — **Linux (container host operating system)** — **Red Hat Enterprise Linux CoreOS**

Physical | Virtual | Private cloud | Public cloud | Edge

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5 Open Source Architectural Principles for Digital Sovereignty

1. **Modularity and Interoperability** - Designing systems with loosely coupled components that can be easily and securely integrated and replaced using open standards

2. **Data Portability and Control** - Ensuring that data can be easily moved between different platform and providers, and that its location and access are explicitly controlled

3. **Transparency and Verifiability** - Prioritising solutions where the source code is openly available for inspection and audit

4. **Decentralisation and Distributed Architectures** - Reducing reliance on single points of failure and centralised control by distributing data and processing across multiple locations or entities

5. **Community-Driven Development & Governance** - Participating in and contributing to open source projects, fostering collective ownership and influence over the direction of critical technologies

The Red Hat Difference: Keep Your Options Open

Red Hat can help customers improve **operational resiliency**. Red Hat platforms are **cloud-independent** and provide **application portability**

Red Hat is Open Hybrid Cloud

Open Source and its community approach helps customers to **innovate** while giving much more **control over security & risk** management.

Red Hat is Open Source

Red Hat products are open source and use open standards offering **freedom of choice**.

Open Source does not lock-in customers

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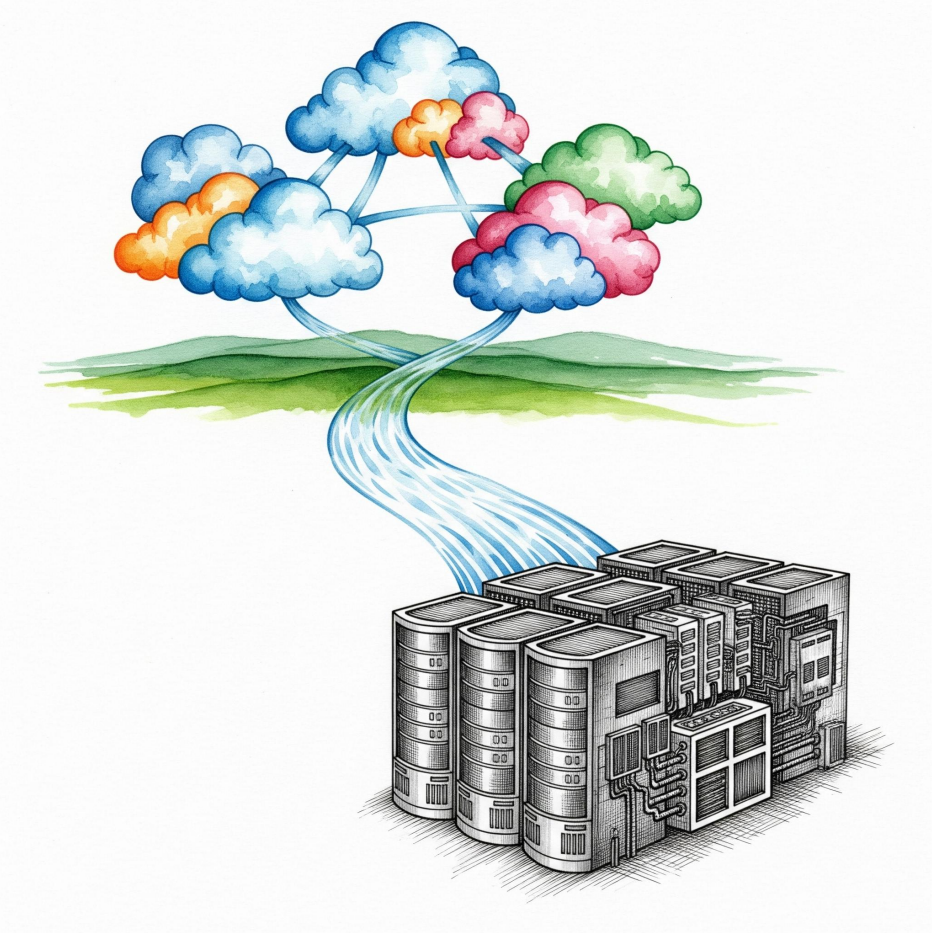
A Pragmatic Approach to Cloud Providers

Attaining digital sovereignty doesn't necessarily mean moving from cloud back to on-prem



Red Hat Digital Sovereignty Takeaways

The Open Hybrid Cloud Concept

Gives you time to strategize
By providing digital independence:
You get control and choice on **if**, **where** & **when** to move your workloads

The 5 Open Source Architectural Principles for Digital Sovereignty

Help you take your strategic direction
By providing guidance in developing your strategy & actions towards Digital Sovereignty

Define your specific sovereignty needs & consider new sovereignty solutions as they develop

Thank you

Red Hat is the world's leading provider of enterprise open source software solutions. Award-winning support, training, and consulting services make Red Hat a trusted adviser to the Fortune 500.

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