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## **Gartner Says Cloud Adoption in Europe Will Trail US by At Least Two Years**

***Analysts to Discuss Cloud Computing in Europe at Gartner Application Architecture, Development & Integration Summit 2012, 21-22 June, London, UK***

Egham, UK, 31 May, 2012 – European privacy rules, multicountry business processes, a deep euro crisis and a lingering recession will conspire to delay cloud computing adoption in Europe by at least two years when compared to the US, according to Gartner, Inc. Gartner said that although interest in cloud is high in Europe, the diversity of Europe's 44 different nations will result in slow cloud adoption in this region.

"The opportunities for cloud computing value are valid all over the world, and the same is true for some of the risks and costs," said Paolo Malinverno, vice president at Gartner. "However, some of cloud computing's potential risks and costs — namely security, transparency and integration — which are generally applicable worldwide, take on a different meaning in Europe."

Gartner has identified four main inhibitors for cloud in Europe over the next few years:

### **Inhibitor 1. Diverse (and Changing) Data Privacy Regulations**

Moving personal data to the cloud, protecting it adequately and complying with privacy laws are problems that have been classic cloud inhibitors, but they can be solved. For example, companies in Europe frequently express their concern that the existence of the US Patriot Act of 2001 makes it undesirable or even illegal for them to use cloud service providers that are located or incorporated in the US (where the majority of them are) — on the basis that US entities might, under some circumstances, be able to "look into their data."

The bottom line for European companies is that in spite of a great deal of inaccurate information, and single countries pushing nationalistic cloud agendas, there are ways of using cloud more safely. While it is true that international regulations such as the Patriot Act will allow law enforcement authorities to access personal information hosted by third parties — in cases of terrorism or severe crime, or to protect national security — agreements like these are in place between several countries (for example, the UK's Regulatory of Investigatory Powers Act) rather than just the US, and any legal entity will have to abide by them.

### **Inhibitor 2. Complex B2B Multienterprise Integration and Processes**

Europe's diversity issues are compounded when it gets comes to running very common and intrinsically multienterprise processes across different countries. Frequently, regulations and business practices in one country are incompatible or undesirable in another, because each country typically extends its pre-existing legislation. European B2B infrastructure providers have turned this complexity, and their ability to address it, into a business opportunity and a competitive advantage.

In a fast growing new market such as cloud computing, diversity makes achieving the required critical mass more difficult and significantly slows down the execution of players wanting to offer cloud services throughout Europe.

### **Inhibitor 3. The Slowness and Undesired Effects of Some EU Policies**

The EU was established to promote economic and social progress and to achieve balanced and sustainable development, through the creation of a group of member states without internal barriers. The EU goes about achieving this aim by setting policies and regulations which are subsequently worked into the legislation of each member state. The whole process can take considerable time, especially as each member state has the sovereign power to add local legislation to whatever policy or regulation is agreed at EU level. Gartner analysts said there are plenty of examples of this sort of delay: e-invoicing being one of the most recent, and the use of cloud likely to be the next.

### **Inhibitor 4. The Investment Hold Caused by the Euro Crisis**

The continuing economic crisis within the countries using the single European currency has deep IT implications, because increasing uncertainty about the euro is causing major investments to be put on hold. This is slowing down strategic and game changing decision making. This inhibitor might not weigh as much as the previous three, but it is certainly a factor worthy of consideration.

"The bottom line is that the interest in cloud is as high in Europe as it is elsewhere in the world" said David Mitchell Smith, vice president and Gartner Fellow. "While these inhibitors will certainly slow down cloud adoption in Europe, they will not stop it — the potential benefits of cloud are too attractive and the interest in its efficiency and agility are too strong to stall it for long."

Paolo Malinverno will further discuss the adoption of cloud computing in Europe at the Gartner Application Architecture, Development and Integration Summit 2012, held in London on 21 to 22 June. For additional information on the Summit please visit <http://www.gartner.com/eu/aadi>. Members of the press can register by contacting Robert van der Meulen at Gartner on + 44 (0) 1787 267 738 or at [rob.vandermeulen@gartner.com](mailto:rob.vandermeulen@gartner.com). Information from the event will be shared on Twitter at [http://twitter.com/Gartner\\_inc](http://twitter.com/Gartner_inc) using #GartnerAADI.

### **Gartner Application Architecture, Development & Integration Summit 2012**

The Gartner Application Architecture, Development & Integration Summit 2012 will focus on the rapidly evolving trends that have profound implications for application executives and leaders. Amongst other trends, cloud computing, the explosion in mobile apps, and service-orientated architecture are causing application executives and leaders to re-examine their strategies. Gartner analysts will explore these trends, provide best practices to identify the opportunities and risks faced by organisations, and offer actionable plans for moving forward during the next five years.

### **About Gartner**

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