

[FINAL TEMPLATES]

Public consultation questionnaire on the proposal for a Cloud and AI Development Act

We invite you to use these templated responses and supplemental letter and [send your own submission to the EU portal by July 3.](#)

[Media kit forthcoming]

The [rest of the questionnaire](#) can be seen here as a reference. [More context on our coordinated response.](#)

Questions/suggestions? Please email michelle@thegreenwebfoundation.org.

Translation sign-up

YOUR NAME	LANGUAGE	LINK TO DOC
Aurora/ Tunubeseacamirio	Español (España) (finished)	https://cloud.corio.es/index.php/apps/files/?dir=/Tunubeseacamirio/AI_Act&openfile=69129
	French	
	German	
	Polish	
	Dutch	
	Italian	

Fields marked with * are mandatory.

2.7.2 Specific needs and challenges

Are there any specific needs to be addressed for building new computational

*

resources?

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Any AI investment strategy must consider the full cost of cloud infrastructure, including environmental and social costs. Before building new computational resources, the following needs must be met. Please refer to the letter for further details.

- 1. Conduct full environmental and social impact assessments of data center sites and make them publicly available.** Full impact assessments based on the entire lifecycle of a data center must be available to the public with ample time to review, in line with the EIA Directive and the Aarhus Convention.
- 2. Publicly disclose the projected consumption of water and energy, as well as the material footprint and waste generation.** Digital infrastructure providers must be accountable for the lifecycle of their facilities, including public disclosures about the development, resource consumption, and impacts of data centres before they are built. Data center providers must also disclose information on the material footprint and waste generation in line with the European Commission's Circular Economy Monitoring Framework.
- 3. Uphold climate commitments: All data centres must be fossil-free and bound to commitments to run on 100% renewable energy that is locally produced, additive to the grid, and publicly verifiable.** In Europe, data centres are driving an expansion in fossil gas capacity and keeping coal plants open. All new computational resources must be powered by new and additional renewable energy to power new data centres. Furthermore, energy justice principles should guide the sourcing of renewable energy, so that it does not come at the cost of affordability, access, or grid stability for local communities. Furthermore, energy emission claims must reduce absolute emissions by aligning renewable energy purchases with their real-time energy use on an hourly basis. All energy claims must be publicly and independently verifiable.
- 4. Align computational strategy with binding targets to reduce absolute emissions in line with Europe's 2030 climate goals.** The EU set the target of reducing greenhouse gas emissions by at least 55% by 2030. The AI Continent Plan must account for reducing absolute emissions of the digital sector, which the International Energy Agency and the ITU both strongly recommended halving by 2030. The EU also has a goal of 'achieving climate-neutral, highly energy-efficient and sustainable data centres by no later than 2030.' The new strategy must remain in line with these commitments.
- 5. Update the Ecodesign for Sustainable Products Regulation (ESPR) working plan to include data centers as a "priority product".** As part of its [Circular Economy Action Plan](#), the Commission committed to decouple growth from resource use and to keep its resource consumption within planetary boundaries. However, the Commission does not include servers and data storage products as priority products in [its current working plan](#). This means ecodesign requirements for data centers only focus on energy efficiency, leaving out the updated requirements of ESPR around its material footprint, which constitutes its main environmental impact at the manufacturing stages.
- 6. Ensure meaningful participation and cost-effectiveness analysis for communities.** Communities impacted by the construction and operation of computational resources must be included in any decision-making, activities and practices that affect them. The requirement of a cost-effectiveness analysis would consider values like health and saved lives without having to put these into monetary value. Participatory impact assessments and other public fora are necessary so that the people affected by AI infrastructures can fully weigh its tradeoffs and participate in decision-making.

[3707 char]

Are there any specific factors affecting your access to cloud services? *

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Our access to public-interest oriented, environmentally sustainable, and competitive cloud services are limited due to several factors, which must be addressed in this proposed strategy.

1. **Introduce measures to diversify the cloud market, including exploring ways to regulate it as an essential service in the public interest.** The proposed strategy does not acknowledge that the cloud market is consolidated, which risks undermining EU digital sovereignty efforts. 75% of cloud services in Europe are run by three U.S.-based companies: Microsoft, Amazon and Google. This market consolidation presents clear barriers to fair competition and severely limits the ability of European SMEs, particularly those offering more sustainable cloud options, to compete. As these incumbent firms stand to benefit most from public funding and infrastructure investment, the EU risks further entrenching foreign market dominance at the expense of its own sovereignty and industrial strategy goals.

Cloud market consolidation also concentrates ecological and social harms. When a handful of hyperscalers dominate the cloud market, decisions about land use, energy allocation, and supply chain sourcing become unaccountable and disconnected from community needs. This follows a clear pattern of how tech monopolies entrench extractivism and undermine democratic control over digital infrastructure.

2. **Transparency requirements on environmental performance must be harmonised and enforced.** The strategy currently overlooks the environmental impacts of cloud infrastructure. Despite the urgency of the climate crisis, and growing public concern and desire for more climate action, the cloud sector remains opaque when it comes to emissions, energy use, and resource consumption. There currently is no harmonised requirement for cloud providers to report environmental data in a standardised, machine readable format which results in inconsistent, and incomplete information. This lack of transparency limits the ability of public authorities procuring cloud services and individuals in choosing services aligned with sustainability goals, and thus must be remedied. The Energy Efficiency Directive can be a starting point.
3. **The EU Cloud and AI Development Act must be grounded in sufficiency principles, notably, we call for legally binding priority systems that ensure private households and essential services, especially health facilities and sustainable agricultural practices, get first access to power and water resources in case of scarcity.** This means prioritising essential digital services (e.g. science, public services, healthcare) while discouraging infrastructure expansion for non-essential applications like personalised advertising, cosmetic AI tools, or novelty entertainment. Establishing a legally binding priority line to the detriment of data center providers will unlock their creativity and commitment to ensuring their resource and energy efficiency and to prevent wasteful practices.
4. **The strategy must also consider the full cost of cloud investment and access,** including environmental and social impacts, commit upholding the EU's climate goals, reduce absolute emissions, operate fossil-free and run on 100% renewable energy that is locally produced, additive to the grid, and publicly verifiable. See answer 1 for more details.
5. **High quality internet connectivity should be prioritised over further cloud investment.** The current plan does not address the digital divide in Europe. Meaningful connectivity and investment in internet infrastructure such as

broadband access in rural areas are part of Europe's digital policy goals, yet this need is not addressed in the proposed plan. If this EU Cloud and AI Development Act is to benefit Europe, including European citizens, residents, and business, ensuring high quality internet connectivity should be prioritised in the region as a prerequisite for further cloud investment.

[3928 char]

Are there any specific obstacles to the consumption of secure cloud services?

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Without addressing the full cost of AI infrastructure expansion, the buildout of energy-intensive data centers as proposed in the AI Continent Plan will increase climate instability and environmental insecurity, thereby threatening any “secure” cloud service. In particular:

- 1. Reliance on fossil fuels, which destabilizes planetary systems.** The scientific consensus is clear: fossil fuels must be phased out to reduce the greenhouse gas emissions heating the planet. The EU's climate goals acknowledge this fact and have committed to reducing greenhouse gas emissions by at least 55% by 2030.

However, much of the new energy demand for data centers is being met by burning fossil fuels, significantly contributing to global warming and climate instability. In 2024, the 1.5C global warming limit was surpassed across the entire year, and devastating heat waves, storms, fires and floods remind us of how rising global temperatures from burning fossil fuels impacts all life on this planet.

AI data centers are prolonging and intensifying our dependency on fossil fuels, and they are threatening the decarbonization goals of other sectors as data centers are prioritized over transportation, education, and other social services in terms of access to renewable energy capacity. Furthermore, pollution from burning fossil fuels for AI data centers is linked to public health issues, including lung disease and premature death. Overall, these factors contribute to societal and ecological instability and insecurity – prerequisites for secure cloud services.
- 2. Diverting drinking water.** Local and regional access to drinking water and maintaining a climate suitable for agriculture should be prioritized over any industrial need for AI systems. Claims by tech companies about their environmental footprint such as water consumption must adhere to the Directive on Green Claims to ensure that environmental labels and claims are credible and trustworthy will allow consumers to make better-informed purchasing decisions.
- 3. Ignoring the AI cloud market concentration.** The cloud market presents a significant challenge to digital security. Only three US tech firms (Amazon, Google, and Microsoft) control over ¾ of the European cloud market. The data of European citizens and governments is being processed by American companies. The current US administration has made clear its approach to diplomacy and tech governance is adversarial and isolationist. Meanwhile, the chips required to run these data centers are primarily produced in Asia.
- 4. Increasing digital dependencies.** Essential services are being digitized, and because of the lack of choice, they are being pressured to run on non-sovereign, fossil-fuel reliant cloud services. As the shocks and strains of climate disasters increase, so do the risks of outages. Recent examples include outages in Spain and Portugal, where many essential services were not available as they were

centralized and digitalized. Essential services must also function without the cloud and internet connectivity—that is a secure approach. The proposed AI Continent Plan for Europe suggests more dependency on the US and Asia for digital infrastructure and services, which seems antithetical to European digital sovereignty and “security” in cloud services.

In order to remedy these threats to secure cloud services, see our attached letter for concrete recommendations.

[3561 char]

Have you identified any gaps in the current offerings of cloud computing * providers that impact your day-to-day activities?

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There exist a range of gaps in current EU cloud offerings.

1. **Problem of cloud market concentration.** Not only does this limit choice and sustainability, but also pushes communities and governments toward high-intensity infrastructures and AI applications they may not need or want. This coerced uptake reinforces extractive energy and material use patterns. AI products become compulsory and thrust on consumers and businesses, which in turn escalates electricity, water use, and carbon emissions. This includes products like Google Gemini when using Google Search, and so on. **European authorities should prioritize low-impact technologies over high intensity ones as well as frugality in selecting computing solutions.**
2. **Need for sufficiency-based public procurement.** From a sustainability point of view, it is difficult to select a cloud provider based on their environmental impact. There is a lack of transparency in climate commitments, the carbon intensity of their services, and other key sustainability factors as well as a lack of enforcement to meet European reporting standards. **The strategy should support only those services that are socially and ecologically justified, rather than defaulting to hyperscaler solutions.**
3. **Lack of investment in diverse digital ecosystems.** From a European competition perspective, it is difficult to migrate from the major cloud providers due to their uncompetitive practices such as high exit fees, lack of interoperability and vendor lock-in. If no specific action is taken, local providers will continue to be pushed out, communities receive little economic benefit, and the dominant three cloud providers leverage their market position to control the digital experience of individuals, businesses and European governments. For the AI Cloud and Investment strategy to benefit European residents and business, **Europe needs to invest in fostering a more diverse ecosystem of local providers, specializing in the needs of communities and businesses in the region, rather than a monoculture of giant US tech companies.**

[2058 char]

Please include any additional information you would like to share *4000 character(s) maximum*

Overall, we regret that there is a lack of climate, environmental and public interest

considerations in this survey. Critical for any EU strategy to be successful is the measure of the impact on EU residents, citizens, and our democracies. Thus we encourage the Commission to consider the full cost of cloud investment and access, including environmental and social impacts, and ensure further cloud expansion does not reinforce extractive and anti-competitive practices.

We reiterate that before building new computational resources, several specific needs must be met:

1. Clarify the purpose of AI investment within planetary boundaries

1.1 Conduct full environmental and social impact assessments of data center sites and make them publicly available.

1.2. Publicly disclose the projected consumption of water and energy, as well as the material footprint and waste generation

1.3. Uphold climate commitments: All data centres must be fossil-free and bound to commitments to run on 100% renewable energy that is locally produced, additive to the grid, and publicly verifiable.

1.3.a. Purchased energy emission claims must stop relying on annually matched renewable energy certificates / Guarantees of Origin and move towards more credible location-based accounting that reduces absolute emissions by aligning renewable energy purchases with their real-time energy use on an hourly basis.

1.3.b. The Commission should ensure that public funds should not support fossil fuel-based or nuclear energy for data centres.

1.4. Align computational strategy with binding targets to reduce absolute emissions in line with Europe's 2030 climate goals.

1.5. Update the Ecodesign for Sustainable Products Regulation (ESPR) working plan to include data centers as a "priority product".

2. Ground the strategy in sufficiency principles

2.1. Enact legally binding priority systems that ensure private households and essential services get first access to power and water resources in case of scarcity.

2.1.a. Develop a taxonomy of AI and cloud services that differentiates between essential and non-essential uses.

2.1.b. Formulate a prioritisation of digital services, ranging from essential to non-essential.

3. Take meaningful steps to remedy cloud market concentration

3.1. Designate the cloud offerings of Amazon, Google, and Microsoft as core platform services (CPS) under Digital Markets Act.

3.2. Acknowledge the essential nature of cloud infrastructure and regulate it in the public interest. Regulate it towards ensuring greater accountability including resilience, security and sustainability.

3.3. Secure non-discriminatory access for individuals and businesses.

3.4. Separate ownership and control of cloud ownership from dominant tech companies.

3.5. Support community-owned, energy-efficient, and regionally governed alternatives

4. Support local and community based decision making

4.1. Ensure meaningful participation and cost-benefit analysis for communities.

4.2 Participatory impact assessments and other public fora are necessary

We are particularly concerned that with the issues we have outlined above – from the lack of evidence outlining the need for more cloud investment, the reality of market concentration, and the myriad environmental and climate risks – it is clear that such a strategy, if not more finely tuned, will serve to benefit the U.S. cloud market, at the expense of EU citizens and member states.

We would also like to draw the Commission's attention to a joint statement, supported by nearly 150 civil society organisations from across the globe on how to bring AI in line with planetary boundaries: <https://shorturl.at/Lm2DL>.

Lastly, please see our attached narrative submission for a summary of the arguments we have made in this survey. We remain at your disposal for further information and engagement.

[3789 char]

Please upload your file(s)

Only files of the type pdf,txt,doc,docx,odt,rtf are allowed

[The letter below can be adapted and submitted with your organization's letterhead].

3. EU Policies

3.1 Computing Capacities: What type of EU action should be prioritised for boosting the availability of sufficient and adequate cloud capacity for AI workloads?

Facilitation of investment

Other: Regulation of the tech and data centre industry should be prioritised, both to address market power and to ensure climate and environmental criteria are met. New data centres should have strict rules around use of renewable energy that includes targets for hourly matching of renewables (and moves past the outdated and inadequate GoOs annual matching system).

Simplification of infrastructure permitting procedures

Other: Simplification must not mean weaker standards. Environmental authorisations are a critical step in any permitting process in ensuring that data centres do not cause harm to the climate or the environment. These must be strengthened to include clear projections on energy and emissions impacts of the operation of data centres, they must not be expedited or weakened.

Simplification of regulations for the building of computing infrastructure with energy efficiency

Other: Simplification must not mean weaker standards, unified guidelines must aim at being the highest possible standard and not the lowest common denominator, otherwise dispersed standards should remain. Energy efficiency targets are important but they cannot alone address the climate and environmental issues arising from the anticipated increased power demand from data centres and AI - regulations on transparency on resource use, on elimination of fossil fuels, on promoting 24/7 renewable energy, on regulating water usage and on other environmental factors throughout the lifecycle of AI and data centres are essential.

Environmental aspects

Other: Addressing energy availability for data centres must mean a policy of prioritisation of energy that ensures a sufficient availability of renewable energy for critical sectors that are decarbonising, such as steel, transport etc, before data centres, as well as other social needs like housing and healthcare.

Data centres are a form of additional power demand that is not directly decarbonising the economy, unlike other sectors which are electrifying and shifting to renewable energy. Digitalisation does not automatically drive decarbonisation and should not take priority over other critical energy, electricity and renewable energy consumers.

Environmental standards on energy, water, land etc. are essential and must be of the highest standards ensuring that AI and data centre growth is in line with planetary boundaries and sustainable limits. Transparency and public participation are also essential to ensure standards are strong and enforced.

Energy Efficiency

Policies must focus on the reduction of absolute emissions and account for rebound effects, a well- documented phenomenon of the last 150 years demonstrating the limits of optimizing for energy efficiency alone.

Nevertheless, energy efficiency can help to manage the energy use of specific tasks and

work runs in data centres, but it cannot alone address the emissions and energy impacts of the ever-increasing new power demand coming from AI and data centre growth. Experts agree that efficiency is unlikely to mitigate the impacts of this overall growth in power consumption up until 2030, therefore policies must focus first on enforcing environmental standards that regulate the use of fossil fuels and renewable energy, land, water etc. in data centres and AI.

Cross-cutting issues

R&D and Innovation should be expanded to not only focus on "technical innovation" but also social and organization forms of innovation. Open source ecosystems must be invested in to counter existing ownership structures of digital products and services which are highly concentrated and non-competitive.

3.2 Public Sector actions

Which EU policy actions would best address the current issues faced by public administrations when procuring cloud and AI services?

Need for sufficiency-based public procurement. From a sustainability point of view, it is difficult to select a cloud provider based on their environmental impact. There is a lack of transparency in climate commitments, the carbon intensity of their services, and other key sustainability factors as well as a lack of enforcement to meet European reporting standards. The strategy should support only those services that are socially and ecologically justified, rather than defaulting to hyperscaler solutions.

Europe needs to invest in fostering a more diverse ecosystem of local providers, specializing in the needs of communities and businesses in the region, rather than a monoculture of giant US. It is difficult to migrate from the major cloud providers due to their uncompetitive practices (high exit fees, lack of interoperability and vendor lock-in.) yet public-interest alternatives are needed.

Which EU policy actions would address the issues currently faced by public administrations as regards cloud and AI services?

Cloud market concentration not only limits choice and sustainability, but also pushes governments toward high-intensity infrastructures and AI applications they may not need or want. This coerced uptake reinforces extractive energy and material use patterns. AI products become compulsory and thrust on consumers and businesses, which in turn escalates electricity, water use, and carbon emissions. European authorities should prioritize low-impact technologies over high intensity ones as well as frugality in selecting computing solutions.

Furthermore, the EU should: Designate the cloud offerings of Amazon, Google, and Microsoft as core platform services (CPS) under Digital Markets Act. Acknowledge the essential nature of cloud infrastructure and regulate it in the public interest. Regulate it towards ensuring greater accountability including resilience, security and sustainability. Secure non-discriminatory access for individuals and businesses. Separate ownership and control of cloud ownership from dominant tech companies. Support community-owned, energy-efficient, and regionally governed alternatives.

What EU policies would alleviate the challenges of releasing the code funded by public money as open-source* code?

Publicly funded code should be publicly available under open source licenses. To support this, the EU should introduce measures to diversify the cloud market, including exploring ways to regulate it as an essential service in the public interest. The proposed strategy

does not acknowledge that the cloud market is consolidated, which risks undermining EU digital sovereignty efforts. 75% of cloud services in Europe are run by three U.S.-based companies: Microsoft, Amazon and Google. This market consolidation presents clear barriers to fair competition and severely limits the ability of European SMEs, particularly those offering more sustainable cloud options, to compete. As these incumbent firms stand to benefit most from public funding and infrastructure investment, the EU risks further entrenching foreign market dominance at the expense of its own sovereignty and industrial strategy goals.

Cloud market consolidation also concentrates ecological and social harms. When a handful of hyperscalers dominate the cloud market, decisions about land use, energy allocation, and supply chain sourcing become unaccountable and disconnected from community needs. This follows a clear pattern of how tech monopolies entrench extractivism and undermine democratic control over digital infrastructure.

3.4 Cross-Cutting Topics

Transparency requirements on environmental performance for cloud must be harmonised and enforced. The strategy currently overlooks the environmental impacts of cloud infrastructure. Despite the urgency of the climate crisis, and growing public concern and desire for more climate action, the cloud sector remains opaque when it comes to emissions, energy use, and resource consumption. There currently is no harmonised requirement for cloud providers to report environmental data in a standardised, machine readable format which results in inconsistent, and incomplete information. This lack of transparency limits the ability of public authorities procuring cloud services and individuals in choosing services aligned with sustainability goals, and thus must be remedied. The Energy Efficiency Directive can be a starting point.

Research Ideas

It is vitally important that the EU ensures data centres run on 24/7 or hourly matched renewable electricity that also integrates battery and storage technology. Up to 80-90% hourly matching of renewables is cost competitive today for companies - see the IEA report on AI & Energy section on energy sourcing for data centres: <https://www.iea.org/reports/energy-and-ai> Only 2% of PPAs in Europe today include storage - EU policies must direct investment away from fossil fuels and towards renewables + storage investments.

LETTER: Public consultation questionnaire on the proposal for a Cloud & AI Development Act

Introduction

We welcome the opportunity to respond to the European Commission's public consultation on the AI Cloud and Investment Act. As a civil society organisation working to [advance justice and human rights in the technology environment // advance climate justice // ensure technology serves the public interest], we appreciate the EU's efforts to strengthen its digital infrastructure and competitiveness. However, we are concerned that the framing and tone of the consultation blurs over the full cost of AI infrastructure expansion, by overlooking critical environmental, social, and public accountability considerations.

This moment requires a more grounded assessment of projected demand, its drivers, and whether the investment in infrastructure proposed meets genuine societal needs.

In this vein, we would like to note that **efficiency is not enough**. The assumption that more computing capacity is inherently beneficial, or that the impacts can be offset by efficiency gains, ignores mounting evidence of energy consumption, resource strain, and limited public oversight. Gains in energy efficiency are quickly cancelled out by rising overall demand—a rebound effect that undermines climate goals. **The EU must move beyond efficiency and adopt absolute limits on energy and resource consumption.**

Finally, we regret that **the AI Continent Plan does not include a single reference to ecodesign, nor to recycling of raw material, and leaves concerns about energy and water to vague upcoming strategies**. Yet, it aims to triple the current offering of data centers in Europe within 5 to 7 years. Having such an immediate and ambitious development plan while leaving any ecodesign, material efficiency and resource consumption concerns far down the road ensures that all upcoming Data centers will fail to meet environmental concerns and ignore planetary boundaries.

Our submission offers practical recommendations to guide this assessment by examining the costs, risks, and implications of further AI cloud investment. To ensure the AI cloud and investment act meaningfully advances the public interest, EU digital sovereignty, and aligns with the EU's climate goals, we urge the Commission to consider the following:

1. **Clarify the purpose of AI investment within planetary boundaries**
2. **Ground the strategy in sufficiency principles**
3. **Take meaningful steps to remedy cloud market concentration**
4. **Support local and community based decision making**

1. Clarify the purpose of AI investment within planetary boundaries

Given the immense impact that AI and related technologies have on the environment, including the energy and resource demands, it is critical to place this strategy within this contextual reality, and justify the need for expansion of cloud infrastructure within planetary boundaries. Any AI investment strategy must consider the full cost of cloud infrastructure and usage, including environmental and social costs. Before building new computational resources, several needs must be met:

1.1 Conduct full environmental and social impact assessments of data center sites and make them publicly available. Based on ample examples from Europe and the US, building new computational resources comes at a direct cost to residents in the form of higher taxes, increased air and noise pollution with associated public health costs, and fewer jobs per square

meter than any other facility. Full impact assessments based on the entire lifecycle of a data center must be available to the public with ample time to review, in line with the [Environmental Impact Assessment Directive](#) and the [Aarhus Convention](#).

1.2. Publicly disclose the projected consumption of water and energy, as well as the material footprint and waste generation. Digital infrastructure providers must be accountable for the lifecycle of their facilities, including public disclosures about the development, resource consumption, and impacts of data centres before they are built. Data center providers must also disclose information on the material footprint and waste generation in line with the European Commission's Circular Economy Monitoring Framework.

Data centre builders and owners must publicly disclose the locations of planned data centre sites and their impacts on local communities and the environment, as well as the energy demand of upcoming data centres. Data centre operators and companies who run AI applications must be required to disclose per data centre their location-based water use and electricity consumption, including actual fossil fuel mix. Providers should also report on projected water usage, which is critical in drought-prone or water-stressed regions and regions likely to become water-stressed due to large fluctuations in climatic systems in Europe.

1.3. Uphold climate commitments: All data centres must be fossil-free and bound to commitments to run on 100% renewable energy that is locally produced, additive to the grid, and publicly verifiable. Burning more fossil fuels to power data centres worsens climate impacts and violates international commitments to limit global warming. In Europe, data centres are driving an expansion in fossil gas capacity and in some cases keeping coal plants open. AI technologies must not be powered by fossil fuels, including their main power supply, backup diesel generators, and across the entire supply chain. All new computational resources must be powered by new and additional renewable energy to power new data centres. Furthermore, energy justice principles should guide the sourcing of renewable energy, so that it does not come at the cost of affordability, access, or grid stability for local communities.

1.3.a. Purchased energy emission claims must stop relying on annually matched renewable energy certificates / Guarantees of Origin and move towards more credible location-based accounting that reduces absolute emissions by aligning renewable energy purchases with their real-time energy use on an hourly basis. All energy claims must be publicly and independently verifiable to avoid greenwash.

1.3.b. The Commission should ensure that public funds should not support fossil fuel-based or nuclear energy for data centres. Renewable electricity sourcing must be based on additionality, physical delivery, and geographical relevance—mechanisms like GOs and RECs should be disallowed as greenwashing tools.

1.4. Align computational strategy with binding targets to reduce absolute emissions in line with Europe's 2030 climate goals. The EU set the target of reducing greenhouse gas emissions by at least 55% by 2030. The AI Continent Plan must account for reducing absolute emissions of the digital sector, which the International Energy Agency and the ITU both strongly recommended halving by 2030. The EU also has a goal of 'achieving climate-neutral, highly energy-efficient and sustainable data centres by no later than 2030.' The new strategy must remain in line with these commitments.

1.5. Update the Ecodesign for Sustainable Products Regulation (ESPR) working plan to include data centers as a "priority product". As part of its [Circular Economy Action Plan](#), the Commission committed to decouple growth from resource use and to keep its resource consumption within planetary boundaries. The *Ecodesign for Sustainable Products Regulation* aims at adopting product specific and horizontal ecodesign requirements in line with these

objectives. However, in its [Communication on the 2025-2030 working plan](#), the Commission decided to leave servers and data storage products under the previous regime of the *Ecodesign Directive of 2019* until the end of 2026, and not to include them as priority products in [its current working plan](#). This means ecodesign requirements for data centers only focus on energy efficiency, leaving out the updated requirements of ESPR around its material footprint, which constitutes its main environmental impact at the manufacturing stages.

2. Ground the strategy in sufficiency principles

In line with the above, an EU Cloud and AI Development Act must be grounded in sufficiency principles. In practice, this means that the strategy must align with existing EU objectives and targets of its climate and energy policies, and developing mechanisms which distinguish the types and applications of AI against a framework of essential to non-essential digital services.

In particular:

- **The EU has adopted a set of Commission proposals to make the EU's climate, energy, transport and taxation policies fit for reducing net greenhouse gas emissions by at least 55% by 2030**, including the adoption of the Energy Efficiency Directive.
- **The EU also has a [goal](#) of achieving ‘achieving climate-neutral, highly energy-efficient and sustainable data centres by no later than 2030’**. The new strategy must remain in line with these commitments: policies and plans must be in place to ensure this growth aligns with emissions reduction and decarbonisation plans of the EU and member states. This includes also ensuring greater transparency on data centre load projections to allow for better management of national grid and energy systems.

We furthermore encourage the Commission to:

2.1. Enact legally binding priority systems that ensure private households and essential services get first access to power and water resources in case of scarcity. Data centre providers should be legally bound to respect planetary boundaries and ensure a fair share, distribution and protection of local resources. Practice in data centre dense regions, like the Netherlands or Ireland, showed that lack of legal responsibility of these actors led to exponential resource use at the detriment of essential services and the local population. In case power or water resources become scarce in a region, priority should be given to private households and essential services, especially health facilities and sustainable agricultural practices. Establishing a legally binding priority line to the detriment of data center providers will unlock their creativity and commitment to ensuring their resource and energy efficiency and to prevent wasteful practices.

Suggested pathways to these priority systems:

2.1.a. Develop a taxonomy of AI and cloud services that differentiates between essential and non-essential uses. This would allow infrastructure planning and energy allocation to be aligned with societal priorities, especially in periods of grid stress or resource scarcity.

2.1.b. Formulate a prioritisation of digital services, ranging from essential to non-essential. For instance, science, public services, healthcare would receive higher priority over non-essential applications like personalised advertising, cosmetic AI tools, or novelty entertainment.

3. Take meaningful steps to remedy cloud market concentration

The consultation questions are heavily skewed toward industrial competitiveness, without sufficient regard for social, environmental, or democratic costs. By ignoring these dimensions, the strategy risks legitimising infrastructure expansion that disproportionately benefits large U.S.-based firms while marginalising EU-based businesses, individuals, and governments.

Cloud market consolidation is not only a threat to competition and sovereignty, but also concentrates ecological and social harms. When a handful of hyperscalers dominate the cloud market, decisions about land use, energy allocation, and supply chain sourcing become unaccountable and disconnected from community needs. This follows a clear pattern of how tech monopolies entrench extractivism and undermine democratic control over digital infrastructure.

Furthermore, without addressing the cloud concentration issue, it is unclear how this strategy would achieve EU digital sovereignty. While positioned as an investment in European digitalisation, the likely outcome is increased dependency on the dominant U.S. cloud providers, who already hold a vast majority of the European market share.

Before further AI cloud investment is pursued, it is critical to address the concentration of the cloud market. In particular:

3.1. Designate the cloud offerings of Amazon, Google, and Microsoft as core platform services (CPS) under Digital Markets Act.

3.2. Acknowledge the essential nature of cloud infrastructure and regulate it in the public interest. Regulate it towards ensuring greater accountability including resilience, security and sustainability.

3.3. Secure non-discriminatory access for individuals and businesses.

3.4. Separate ownership and control of cloud ownership from dominant tech companies.

3.5. Support community-owned, energy-efficient, and regionally governed alternatives

4. Support local and community decision-making

In a context of increasing concern about the environmental impacts of data centres, the lack of questions addressing climate justice, energy use, and community consent is troubling. As municipalities struggle to balance local needs with opaque infrastructure demands, it is crucial to include community consent and clearly define the form it takes.

To remedy this, the Commission should:

4.1. Ensure meaningful participation and cost-benefit analysis for communities.

Communities impacted by the construction and operation of computational resources must be included in any decision-making, activities and practices that affect them. People are asked to pay huge social costs for the development of AI systems, losing access to land and water, experiencing negative health effects, and paying higher utility bills. The Commission's [Action Plan for Affordable Energy](#) notes that 'data centres could increase strain on the energy system and drive up energy prices, especially considering data centres' capacity to outbid other energy consumers for access to energy'.

4.2 Participatory impact assessments and other public fora are necessary so that the people affected by AI infrastructures can fully weigh its tradeoffs and participate in decision-making. The people affected by AI infrastructures must be able to fully weigh its tradeoffs and participate in decision-making. This engagement should be well before the onset of a project and provide ample, meaningful, and involved disclosure of the full expected impacts and in terms that residents can understand and engage with meaningfully.

Finally, we would also like to call attention to the impact of cloud expansion on jobs for communities and regions that host data centres. Data center developers often mislead policymakers in promising jobs and growth in regions and communities where data centres are hosted. However, there is ample evidence that these promises are overblown, with data centers among the lowest generators of jobs per square meter than any other facility.

Conclusion

The EU has a unique opportunity to chart a distinct, values-driven course in AI and cloud investment; one that does not replicate the extractive models of other global powers but rather centers social wellbeing, fostering democracy, fundamental rights, and fair competition. To do so, the European Commission must orient its strategy towards the public interest and ecological health.

To achieve this, we strongly urge the Commission to clarify the purpose of AI investment within planetary boundaries, ground the strategy in sufficiency principles, take meaningful steps to remedy cloud market concentration, and support local and community based decision making. We strongly urge that the Commission assess further AI cloud investment in the context of the full cost and risks associated with further expansion, including the climate, environmental and societal considerations. Incorporating these considerations into the Commission's strategy and approach will be an essential step to ensure that AI is not driving further planetary degradation and could instead support a sustainable and equitable transition within the EU Cloud and AI Development Act.

We look forward to contributing to a more inclusive process and remain committed to ensuring that technology truly serves people, democracy, and the planet.

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Cited References and Further Reading

Please see <https://greenscreen.network/en/blog/within-bounds-limiting-ai-environmental-impact/>