2025

DATA CENTRES IN AFRICA

INSIDER SURVEY

Where do decision makers
see the sector heading?

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FOREWORD

*By **Faith Waithaka**, Chairperson, Africa Data Centres Association*
Data Centres in Africa INSIDER SURVEY

Africa stands at the forefront of a global reconfiguration in digital infrastructure and connectivity. The findings presented in this edition of the *INSIDER SURVEY* confirm a growing recognition across markets: that data infrastructure is not peripheral to development, it is foundational.

At the Africa Data Centres Association (ADCA), we are committed to providing a platform where policymakers, investors, operators, and ecosystem stakeholders converge to shape the future of the continent's digital landscape. This survey is both a reflection of prevailing business sentiment and a strategic tool for advancing informed dialogue, investment readiness, and shared opportunity.

Faith Waithaka
Chairperson
Africa Data Centres Association

*By **Paul-François Cattier**, Managing Director, Africa Data Centres Association*

This survey underscores the momentum within our sector, but it also challenges us to build with intention, collaborate with purpose, and invest with a long view. I invite all stakeholders to engage with its insights and join us in shaping a digitally sovereign, sustainable, and globally competitive Africa.

Paul-François Cattier
Managing Director
Africa Data Centres Association

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FOREWORD

By **STELLARIX**, *Sponsor of the Data Centres in Africa INSIDER SURVEY*
Produced for the Africa Data Centres Association

As Africa accelerates its transition into the digital economy, the strategic role of data infrastructure has become undeniable and urgent. The INSIDER SURVEY reflects not only the optimism across key African markets, but also the growing recognition that a digitally sovereign Africa must be underpinned by robust, locally anchored digital infrastructure.

At *STELLARIX*, we are committed to supporting this evolution through an **integrative approach to digital transformation**. We will ensure African enterprises are equipped with global-grade technology and access models that are appropriate, scalable, and sustainable within regional contexts.

Colocation services and sovereign African cloud platforms are essential to developing secure, compliant, and future-ready digital ecosystems. By enabling African businesses to interconnect across neutral data exchange points and access resilient cloud capacity on the continent, we aim to lower barriers to digital inclusion and strengthen intra-African data flows.

Our ongoing support of this survey reflects our deep belief in Africa's capacity to lead its own digital agenda. We advocate strongly for data sovereignty, not as a defensive posture but as a forward-leaning principle that empowers African nations to retain control over their digital assets while participating fully in the global digital economy.

We trust that the insights captured in this edition will inform decision-making, attract investment, and encourage collaborative strategies for a digitally confident and connected Africa.
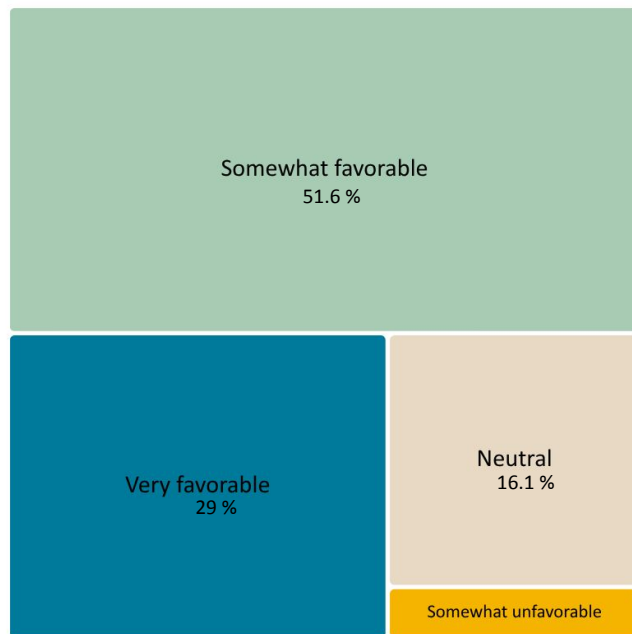
Didier HUNG WAN LUK
Chief Executive Officer
STELLARIX

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How would you assess the current business climate for the data centre industry in Africa?

Somewhat favorable
51.6 %

Very favorable
29 %

Neutral
16.1 %

Somewhat unfavorable

The Africa Data Centres Association's *INSIDER SURVEY* reveals a cautiously optimistic view of the current business climate for the continent's data centre industry. **While 80.6% of respondents rate conditions as "very" or "somewhat favorable", sentiment is clearly measured.** Another 16.1% remain neutral, and 3.2% see the climate as somewhat unfavorable, highlighting a sector that is expanding, but not at the pace many had expected.

The gap between Africa's data centre potential and its realised growth continues to reflect underlying structural and operational constraints. During the survey, respondents cited several reasons behind their cautious optimism. Chief among them is the slower-than-expected entry of hyperscalers, whose large-scale commitments have yet to fully materialise across the continent. Additionally, global capital is increasingly being redirected toward AI infrastructure deployments in more mature markets, diverting attention from African projects. Nonetheless, fundamentals remain strong: demand for local hosting and cloud services is growing, financing is available, and the sector continues to expand. **The prevailing sentiment is one of measured progress, shaped by global headwinds but underpinned by persistent regional opportunity.**

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Survey respondents identify fundamental demand-side dynamics as the primary drivers of growth in Africa's data centre market.
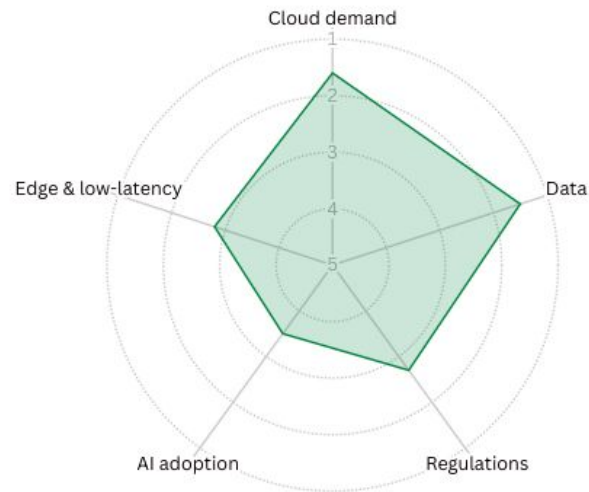
The rise in **data consumption and internet penetration** leads with an average score of 1.5, followed closely by **increased demand for cloud services** at 1.6, reflecting a continent-wide shift toward digital services, mobile connectivity, and enterprise cloud adoption.

In contrast, supply-side and enabling factors such as government regulation (2.7), edge computing (2.8), and the adoption of AI (3.5) are viewed as secondary, suggesting that while these trends are gaining relevance, they are not yet seen as primary catalysts.

Overall, the data suggests that the industry's current expansion is being driven less by emerging technologies and more by the accelerating digitisation of African economies.

Which of the following do you consider to be the most significant drivers of growth in Africa's data centre market?

1=most significant, 5=least significant

- Increased demand for cloud services
- Rise in data consumption & internet penetration
- Government regulations and support
- Adoption of AI
- Rising demand for edge computing and low-latency applications

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What are the top challenges faced when expanding data centre infrastructure in Africa?
1=most significant, 6=least significant
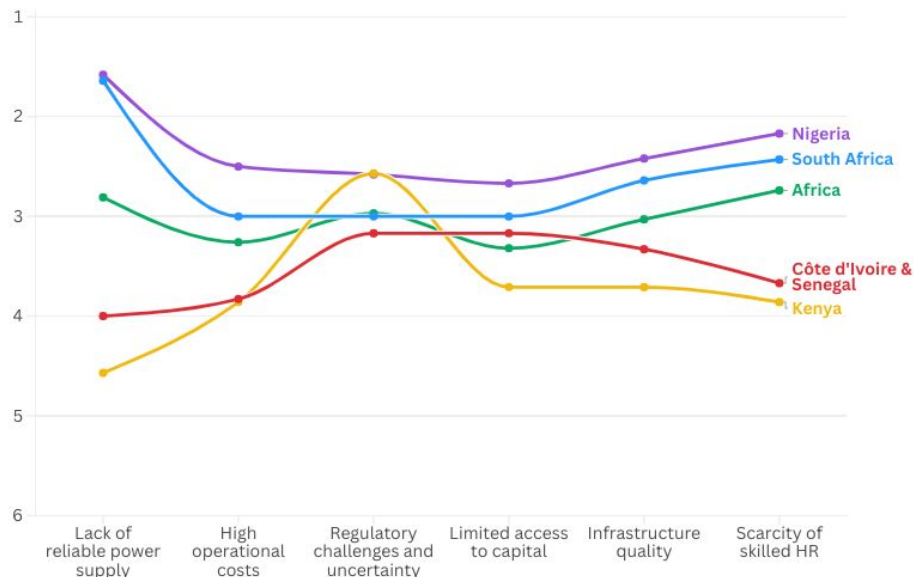
Challenges to data centre infrastructure expansion in Africa, while showing moderate averages at the continental level, **differ markedly across markets.**

Scarcity of skilled professionals ranks as the most pressing issue overall (2.74), with significantly higher concern in Nigeria (2.17) and South Africa (2.43) compared to Côte d'Ivoire and Senegal (3.67) and Kenya (3.86).

Lack of reliable power supply follows closely (2.81), standing out as a critical constraint in Nigeria (1.58) and South Africa (1.64), but much less so in Côte d'Ivoire and Senegal, least of all in Kenya (4.57), reflecting the region's fragmented energy landscape. Operational costs and infrastructure quality appear to correlate with power-related challenges.

Regulatory uncertainty also remains a notable barrier (2.97 average), particularly noted in Kenya (2.57) and Nigeria (2.58).

Overall, the data confirms that while demand fundamentals remain strong, infrastructure growth hinges on resolving core structural constraints unique to each country, with significant disparities in terms of access to skilled talent, stable power supply, and predictable regulatory frameworks.

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The 12-month outlook for the African data centre market remains broadly positive, with **93.6% of respondents anticipating either strong or moderate growth**. While only 22.6% expect strong expansion, the dominant expectation of moderate growth (71%) points to a steady, rather than accelerated, trajectory. No respondents foresee any form of decline, underscoring continued confidence in the sector's fundamentals.

On average, industry leaders estimate **market progression at 17.5%**, reflecting cautious optimism shaped by persistent infrastructure, policy, and investment constraints. Growth is expected, but within a more calibrated and operationally aware framework.
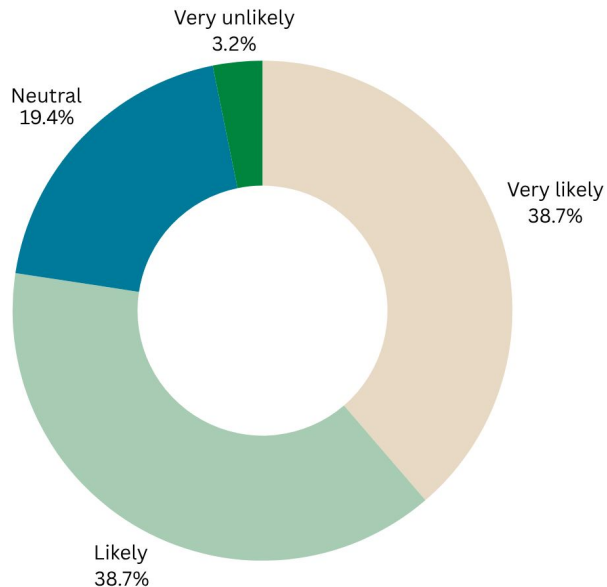
What is your outlook for the African data centre market over the next 12 months?

Moderate growth
71 %

Strong growth
22.6 %

No change
6.4 %
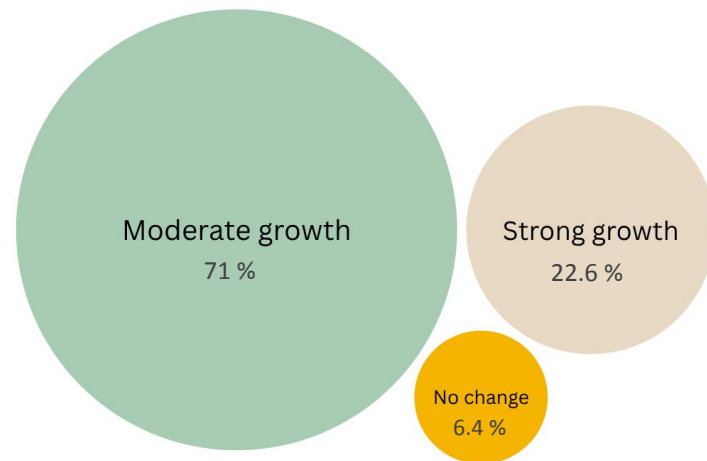
17.5%

Estimated market growth over the next 12 months

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How likely is your company to make a significant capital investment in the next 12 months?

Very unlikely
3.2%

Neutral
19.4%

Very likely
38.7%

Likely
38.7%

Investment intentions across the sector remain firm, with 77.4% of respondents indicating that their companies are either "very likely" or "likely" to make significant capital investments over the next 12 months. This aligns with the generally positive market outlook, even if tempered by operational realities.

Notably, nearly one in five respondents adopt a neutral stance, suggesting some caution tied to project timing, regulatory conditions, or access to financing.

The minimal share of respondents reporting an unlikely investment position (3.2%) reinforces the view that, while the pace of growth may be moderate, the commitment to long-term infrastructure development remains strong.

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Private capital remains the most attractive source of financing for data centre investment in Africa, with 52.4% of respondents identifying it as their preferred avenue. **Development finance institutions** (DFIs) follow at 26.2%, reflecting the strategic role such partners play in supporting large-scale infrastructure in emerging markets. Traditional sources such as bank loans, IPOs, and bonds register only marginal interest, pointing to either limited accessibility or misalignment with sector-specific financing needs. The relatively low reliance on internal funding (9.5%) further indicates the capital-intensive nature of data centre development and the industry's dependence on external investment.

Profitability perceptions remain cautiously positive, with respondents rating the African data centre market at an average of 3.3 out of 5. This middling score suggests that while operators see real potential, margins are likely constrained by high upfront costs, infrastructure gaps, and long return horizons.

The financing landscape, therefore, reflects a market still in its growth phase: attractive to private and impact-oriented capital, but not yet broadly conducive to more conventional funding channels.

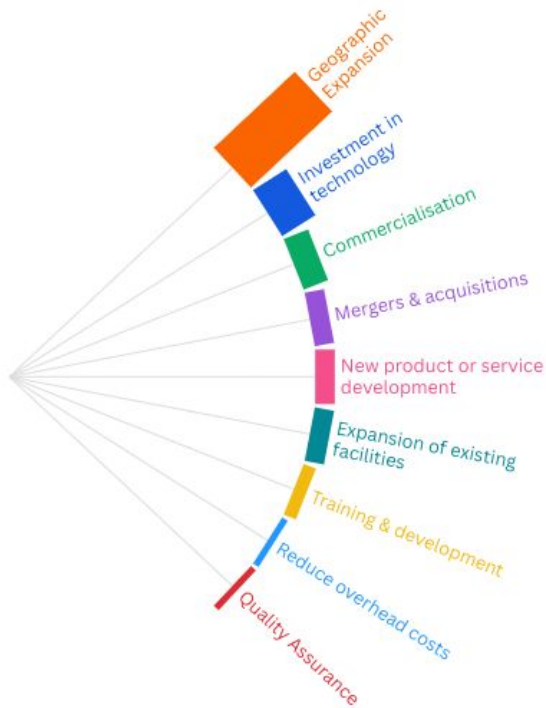**Which available source of financing is most attractive for capital expenditure in the African data centres market?**

IPO
4.8 %

Bank loan
4.8 %

Private capital
52.4 %

DFI
26.2 %

Internal financing
9.5 %

Bonds
2.4 %
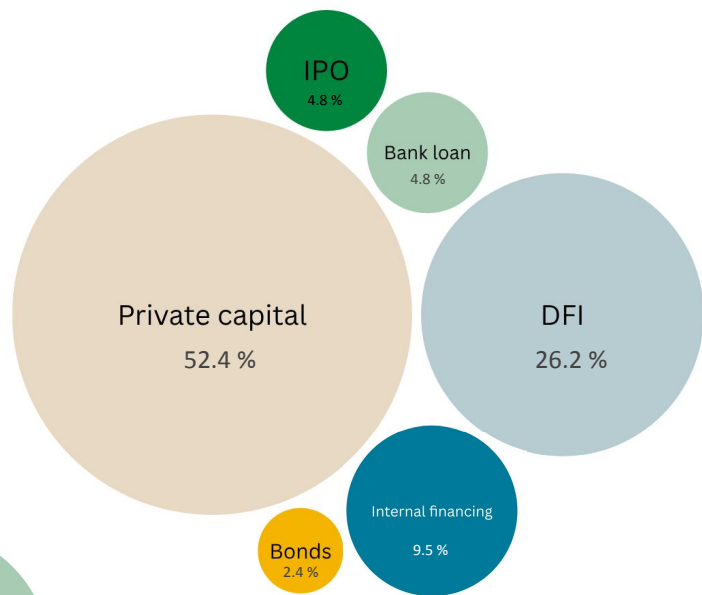
3.3

Average PROFITABILITY (0-5 scale)

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Which strategy is most suitable for driving your revenue growth over the next three years?

The survey findings underscore three key strategic priorities shaping the outlook of African data centre operators: **expansion, commercialisation, and innovation**. Geographic growth stands out as the primary revenue lever, with 42.5% of respondents selecting cross-border expansion into new countries or regions as their most suitable strategy. When combined with growth through existing facility development (7.5%) and mergers and acquisitions (7.5%), **expansion accounts for 57.5% of responses**, highlighting the industry's strong outward momentum in response to demand across underserved markets.

Commercialisation strategies, cited by 10% of participants, were not part of the original options but introduced by respondents themselves, alongside expansion of existing facilities and quality assurance. Their inclusion suggests a growing awareness of **underutilised capacity** and a parallel focus on business development, marketing, and operational efficiency.

Meanwhile, investment in **technology and innovation** (15%), increasingly tied to AI readiness, reflects alignment with global trends, though it appears to take a back seat to more execution-focused growth strategies aimed at delivering scale and resilience across a rapidly evolving regional landscape.
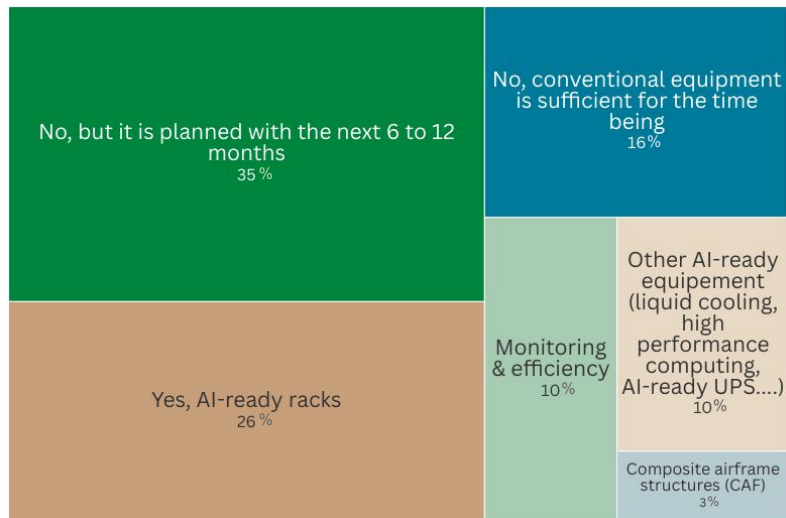
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INNOVATION

The adoption of AI-ready infrastructure across Africa's data centre landscape is gaining momentum, though still in its early phases.

According to survey responses, **36% of participants have already integrated AI-capable systems**: 26% through dedicated AI-ready racks, and another 10% via alternative solutions such as liquid cooling, high-performance computing, and AI-optimised UPS. These responses reflect an increasingly nuanced understanding of the infrastructure requirements necessary to support advanced computational workloads.

An additional **35% of respondents plan to implement AI-ready technologies within the next 6 to 12 months**, signalling a measured but active transition toward higher-density, AI-driven infrastructure. While a portion of operators continues to view conventional equipment as sufficient for now (16%), the steady shift towards AI readiness positions Africa within the broader global trajectory.

Far from lagging behind, the continent is participating in the evolution of digital infrastructure, adapting pragmatically to emerging demands while balancing cost, scale, and operational maturity.

Have you adopted (or developed) new technologies such as AI-ready racks?

No, but it is planned with the next 6 to 12 months
35 %

No, conventional equipment is sufficient for the time being
16%

Yes, AI-ready racks
26 %

Monitoring & efficiency
10%

Other AI-ready equipement (liquid cooling, high performance computing, AI-ready UPS....)
10%

Composite airframe structures (CAF)
3%

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Which sustainability feature is currently the highest priority in your equipment development?

Water-saving cooling technologies
3.2%

Renewable energy integration
22.6%

Energy efficiency
74.2%
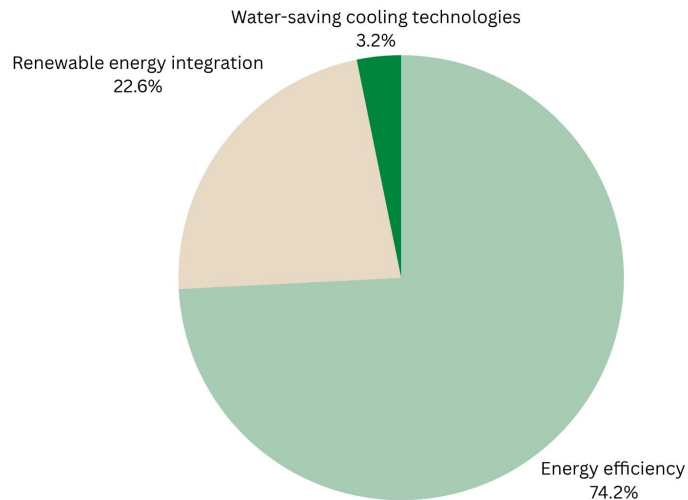
Energy efficiency stands out as the leading sustainability priority in equipment development for Africa's data centre operators, cited by 74.2% of respondents. This strong focus reflects the dual pressures of high energy costs and grid instability across many African markets, making power optimisation both an environmental and operational imperative. **Renewable energy integration** follows at 22.6%, indicating growing but still secondary momentum toward cleaner energy sources. Meanwhile, features such as water-saving technologies, recyclable materials, and circular economy models register negligible uptake, suggesting that **while environmental, social, and governance (ESG) considerations are present, they remain largely concentrated around energy-related concerns**.

This is further reflected in the sector's self-assessed ESG maturity, with respondents assigning an average score of 5.87 out of 10. The data implies that while sustainability is gaining traction, it is still at a developmental stage, with efforts primarily focused on immediate efficiency gains rather than broader lifecycle or resource-impact strategies.
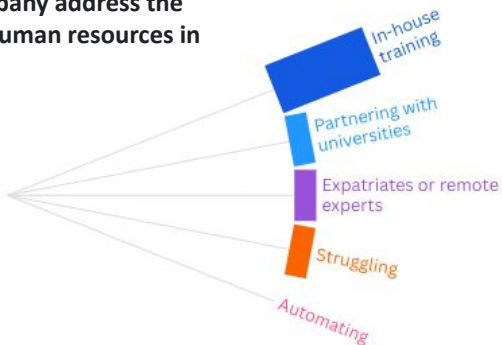
5.87

Average ESG performance rating (0-10 scale)

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In the current context of scarcity of trained professionals, what is the biggest challenge in recruiting and retaining skilled human resources for your activity?

Lack of specialized training programs in the region
High competition for talent from international companies
Difficulty in retaining skilled staff due to better opportunities abroad
High salary expectations compared to available budgets
Limited awareness of data center careers among local professionals

0%   10%   20%   30%   40%

How does your company address the shortage of skilled human resources in the sector?

In-house training
Partnering with universities
Expatriates or remote experts
Struggling
Automating

The **structural talent gap** in the data centre industry globally is reflected in the African market, with **brain drain** and **limited access to training** emerging as dominant challenges. Nearly 39% of respondents cite difficulty retaining skilled staff due to better opportunities abroad, while 22.6% point to the lack of specialised training programs in the region. These trends reflect both the global competitiveness of African talent and the urgent need for practical, industry-aligned education pathways. High competition from international employers further intensifies pressure on local firms to attract and retain qualified professionals.

In response, a decisive majority, 61.3%, report investing in in-house training and certification programs as their primary strategy, underscoring a sector-wide incline toward **self-driven capacity building**. Contributors consistently emphasise the need for hands-on, practical training as a critical component of workforce development, partially explaining the modest role currently played by formal partnerships with academic institutions (12.9%). With no respondents citing automation as a solution, it is clear that talent remains a cornerstone of operational resilience. The industry's forward momentum will increasingly depend on targeted, scalable, and context-specific training models.
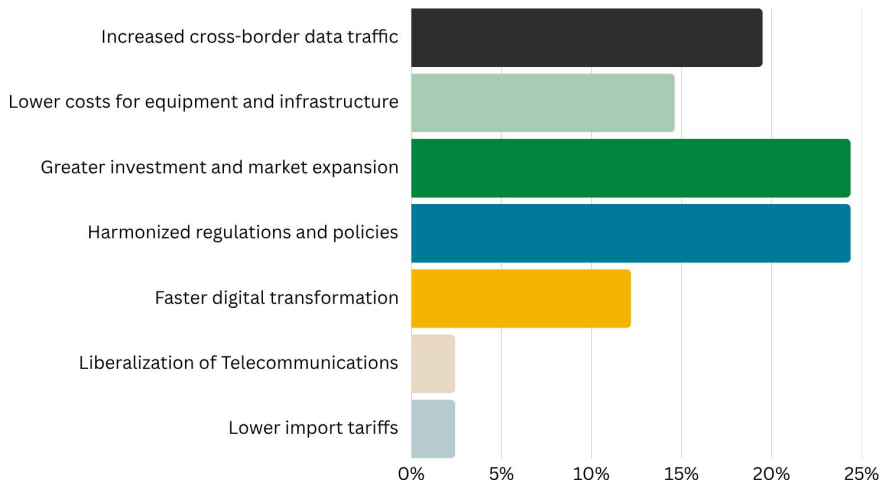
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61.29% of repondants perceive 0

impact of the the African Continental Free Trade Area (AfCFTA) on the carrier-neutral data centre market in Africa

What do you expect to be the most significant benefit of the full implementation of the African Continental Free Trade Area (AfCFTA) for the carrier-neutral data center market in Africa?

Despite the **African Continental Free Trade Area (AfCFTA)** being a landmark policy initiative, its perceived impact on the carrier-neutral data centre market remains limited at this stage. A significant 61.3% of respondents believe AfCFTA will have no meaningful effect on the sector, with an average impact rating of just 1.55 out of 10. This subdued outlook may reflect the early stage of implementation and the lack of tangible outcomes to date for infrastructure-heavy, highly regulated industries such as data centres.

Among those who do anticipate benefits, the top expectations are centred around greater investment and market expansion (24.4%) and harmonised regulations and policies (24.4%), both critical enablers of regional scale. Increased cross-border data traffic (19.5%) and lower equipment costs (14.6%) also feature prominently. However, the overall sentiment suggests that unless AfCFTA delivers concrete reforms targeting the digital and infrastructure economy, including regulatory alignment and trade facilitation, its potential to unlock growth in the data centre sector will remain largely theoretical.

Chart categories (top to bottom):
- Increased cross-border data traffic
- Lower costs for equipment and infrastructure
- Greater investment and market expansion
- Harmonized regulations and policies
- Faster digital transformation
- Liberalization of Telecommunications
- Lower import tariffs

X-axis: 0%, 5%, 10%, 15%, 20%, 25%

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ABOUT Data Centres in Africa INSIDER SURVEY

This survey has been designed to assess business sentiment among business leaders (Chief Executives or equivalent) and their outlook for the next 12 months. Unlike many surveys, the Data Centres in Africa INSIDER SURVEY has been conducted exclusively on a face-to-face basis, between April and June 2025. .

The results are anonymous. The INSIDER SURVEY is based on 31 responses from companies operating throughout the entire continent, within the following sub-sectors:
• 45 % of companies surveyed are DC operators
• 19 % of companies surveyed are DC equipment manufacturers
• 26 % of companies surveyed are DC consultant / design
• 3 % of companies surveyed are DC contractor
• 6 % of companies surveyed are have another type of activity

The data generated allows for analysis of sentiment within the region. Additionally, comparisons can be drawn between both individual countries and regionally.

The results are presented statistically with graphs and discussed in articles written by Rising Advisory Editors. Rising Advisory provides this survey, graphs and accompanying analysis from sources believed to be reliable, for information purposes only.

For further information on the content of the survey, please contact:
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Should you wish to reproduce any element of this survey, graphs and accompanying analysis, please contact pr@rising.africa.
For further details about Rising Advisory, please visit www.rising.africa.

Thank you
to all the business leaders who took the time to meet with us to answer this survey, and often went beyond the questions to provide additional valuable insights

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