

Africa data center market is expected to reach US\$ 5.7 billion (CAGR of around 12.5%) during 2023-2028

Africa data center market is expected to reach US\$ 5.7 billion in 2028 with a growth rate of around 12.5% during 2023-2028, analysis by RationalStat

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/EINPresswire.com/ -- The upsurge in the investments coupled with supportive policy-making structure in the African regions, act as headwinds of the overall growth of the Africa Data Center market, says a report by RationalStat



Africa data center market Analysis by RationalStat

The “Africa Data Center Market Analysis and Forecast, 2019-2028” report by RationalStat assesses the regional market based on operating model, ownership, organization, end user, and region. A detailed market analysis report provides an overall historical and future market size in terms of market value (US\$ Million) and with a comprehensive market trend analysis (year-on-year growth). The market share analysis, growth of the insurance industry, an overview of the competition, strategic imperatives, plans and strategies, key application, potential growth driver, recent R&D of data centers across the globe, and competition analysis for the target players evaluated in the Africa data center market study.

Africa Data Center Market: Market Overview and Dynamics

The Africa data center market is expected to reach US\$ 5.7 billion in 2028 and is expected to grow at a robust growth rate of around 12.5% during the forecast period 2023-2028. The Africa data center market is primarily driven by the penetration of companies that are a combination of multinational and African tech and telecom companies. Such companies are often with significant venture capital backing and are quickly rolling out new facilities, each one reducing latency times and enriching the digital economy in which they operate.

In addition, the governments and pan-African organizations are also playing an important role in nurturing the industry through supportive policy-making while protecting the environment and critical infrastructure, acting as a headwind in the growth of the Africa data center market in the region.

Market Drivers and Trends of the Africa Data Center Market

According to RationalStat analysis, the new ambitious mega projects such as NEOM and smart cities in several regions in Africa offer first-mover advantage through prosperous future opportunities that will rely heavily on data-driven AI and IoT technology, contributing to the growth of the data center market in the region.

With a robust demographic base, Africa is likely to see increased internet activity, and therefore data center demand continues to grow in the short to medium term. Moreover, rapid digitization and the rollout of 4G and 5G infrastructure across the African continent are expected to boost the supply poised by 50% from 2022-2026.

In addition, more than 30 Tier-3 and above multitenant facilities have already been available online since 2016, approximately doubling the continent's data hosting capacity to roughly 350 MW as of the end of 2022.

However, capacity is unevenly distributed, with more than two-thirds based in South Africa. This is due to several factors, including the size of its economy (US\$ 351.4bn in 2019), links to subsea fiber-optic cables, and a long-standing liberalized telecoms market. It is also the locus of Africa's largest internet exchange, NAPAfrica, which retains the largest number of peering connections on the continent and provides international and regional telecoms carriers, content delivery networks, cloud providers, and other stakeholders a gateway to over 20 southern African countries.

Besides, Africa is anticipated to witness investments from various market players, some of which are mentioned below:

- In May 2022, Amr Talaat, Minister of Communications and Information Technology said that the data center industry is a major component of building a digital Egypt, as US\$ 2 billion has been invested to raise the efficiency of the Internet, making Egypt the fastest in Africa in the fixed Internet.
- In March 2020, Orange Egypt announced the inauguration of its advanced data center for cloud computing services "Orange Business Cloud" for the first time in Egypt, in cooperation with its global partner, Huawei Technologies.
 - o Orange cloud computing services are the first True Cloud product provided to large enterprises in Egypt where Orange has managed to provide telecommunication services at the highest standards of efficiency after signing a series of cooperation agreements with specialized

international companies.

- In December 2019, Vodafone Egypt became the first cloud service provider to reach VMware Cloud verified status. Vodafone Egypt's achievement supports and contributes to Egypt's government's digital transformation plans. Vodafone is one of the first Egyptian companies to use VMware technology and their partnership dates back to 2005.

Moreover, as consumers become aware of the transparency of ingredients used in cosmetics and their manufacturing processes, manufacturers can grab this opportunity to build trust with their customers and gain a market share in the Africa data center market scenario.

Get a sample report on the Africa Data Center Market at

https://store.rationalstat.com/store/africa-data-center-market/#tab-ux_global_tab

Segmental Analysis: Africa Data Center Market

- On the basis of the Operating Model, hyperscale data centers are expected to gain traction in the coming years, as several providers are focusing on expanding their presence in the country and investing heavily in this segment.
- On the basis of organization, private/SMEs, MNCs hold the majority share of the Africa data center market as globally operating players find Africa as the emerging market for data centers and are expected to enter the data center market in Africa to gain a significant market share while the market is still in the nascent stage.

Competition Analysis and Market Structure

The Africa data center market is fragmented in nature with presence of various players operating in the region. Leading companies operating in the data center market are focusing on providing coverage for all kinds of liabilities that hamper routine activities of a firm after a cyberattack to provide to evolving consumer preferences.

Moreover, these players adopt various strategies to increase their market share and gain a competitive edge over other competitors in the Africa data center market. Mergers and acquisitions, partnerships, and collaborations are some of the strategies followed by industry players. Some of the key developments in the Africa data center market include,

- In March 2023, Google Cloud and MTN Group announced a partnership to build and operate data centers in Africa.
- In February 2023, Equinix acquired Neotel, a South African data center company.
- In January 2023, Microsoft launched a new data center region in South Africa.
- In December 2022, Amazon Web Services (AWS) and Etisalat announced a partnership to build and operate data centers in Africa.
- In November 2022, NTT Ltd. and Dimension Data announced a merger to create a new data center giant in Africa.
- In December 2022, Equinix Inc. one of the global digital infrastructure companies announced plans to enter the South African market with a US\$ 160 million data center investment in

Johannesburg that augments its current footprint on the African continent in Nigeria, Ghana, and Côte d'Ivoire. The new data center is expected to open in mid-2024.

- In January 2022, one of the prominent African independent data center builders is being bought by a US operator in a deal valuing the company at US\$ 3-5 billion, as a global investor race to take advantage of the explosive growth of the internet use on the continent.

Some of the key players operating in the Africa data center market include Africa Data Center includes Teraco, Vantage, Telkom's BCX, MTN Business, Amazon, Google, Microsoft, NTT Communications, Tata Communications, Dimension Data, Equinix, Hewlett Packard Enterprise, Innovex, Melrose Data Centers, and OVHcloud among others.

RationalStat has segmented the Africa data center market on the basis of operating model, ownership, organization, end user, and region

- Africa Data Center Market Value (US\$ Million), and Market Share (2019-2028) Analysis by Operating Model
 - o Captive
 - Enterprise
 - Edge
 - o Colocation
 - Retail
 - Wholesale
 - Hyperscale
- Africa Data Center Market Value (US\$ Million), and Market Share (2019-2028) Analysis by Ownership
 - o Owned
 - o Leased
 - o Third-party
- Africa Data Center Market Value (US\$ Million), and Market Share (2019-2028) Analysis by Organization
 - o Private/SMEs/MNCs
 - o Government/Public Entities
- Africa Data Center Market Value (US\$ Million), and Market Share (2019-2028) Analysis by End User
 - o IT & Telecom
 - o BFSI
 - o Media and Entertainment
 - o Government
 - o Energy & Utilities
 - o Healthcare
 - o Retail
 - o Automotive & Transportation
 - o Logistics
 - o Central/Local Administrative Agencies

- o Others (Education etc.)
- Africa Data Center Market Value (US\$ Million), and Market Share (2019-2028) Analysis by Region
 - o South Africa
 - o Egypt
 - o Sub-Saharan
 - o Rest of Africa

For more information about this report <https://store.rationalstat.com/store/africa-data-center-market/>

Key Questions Answered in the Report:

- What will be the market value of the Africa Data Center Market by 2028?
- What is the market size of the Africa Data Center Market?
- What are the market drivers of the Africa Data Center Market?
- What are the key trends in the Africa Data Center Market?
- Which is the leading region in the Africa Data Center Market?
- What are the major companies operating in the Africa Data Center Market?
- What are the market shares by key segments in the Africa Data Center Market?

View More Similar Reports Here:

- [Global Data Center Market](#) – According to RationalStat Analysis, the global data center market size is expected to increase with a CAGR of 25.8%, during the forecast period 2023-2028.
- [Global Cloud Computing Market](#) - The global cloud computing market is estimated to witness a robust growth rate of over 15% during the period of 2019–2028, analysis by RationalStat.
- [Global ICT Market](#)- The global ICT market is expected to reach a value of US\$ 5 trillion by 2028, growing at a CAGR of 4.5% during the forecast period 2023-2030. The growth of the ICT market is being driven by a number of factors, including the increasing adoption of cloud computing, the growing demand for mobile devices and applications, and the need for businesses to improve their efficiency.

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