

DATA CENTRE UPDATE



# EMEA:

Amsterdam, Dublin,  
Frankfurt, London,  
Madrid, Milan, Paris



## Key Indicators



Under Construction  
**70 MW**



Vacancy  
**12%**

## MORE INFORMATION

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## GLOBAL DATA CENTER ADVISORY GROUP

Cushman & Wakefield's [Data Center Advisory Group](#) is a global team of elite professionals delivering specialized real estate solutions for mission critical users, owners, and environments. With scalability, reliability, and security as a driving force, our highly knowledgeable and responsive professionals guide clients to make effective financial decisions. Our expertise ranges includes colocation facilities, control centers, greenfields, powered shell, and trading floors. We lend additional value through our understanding of global dynamics and their impact on local markets.

## Market Overview

Since our last report, Amsterdam has seen an uptick in vacancy with the vacancy rate creeping into double digits at 12.25%, consequently ending the downward trend previously reported. Construction activity is relatively slim, with 70 MW of capacity currently underway and an active moratorium on hyperscale developments. Investment in data centers and infrastructure remains of interest despite regulatory challenges and increased efforts toward sustainability. The scarcity of available land in the Amsterdam market suggests that existing assets will see expansionary development, increasing their capacity to meet market demand. Pan-European infrastructure investment continues, exemplified by Zayo's recently deployed subsea cable route, "Zeus," which followed euNetworks' subsea high-fibre cable system, "Scylla," both of which have 96 fiber pairs and boast a speed capability of up to 4,000 Tbps.

In addition to the development moratorium and in an effort to reduce power usage by 10-15%, the city of Amsterdam has threatened data center operators with steep fines if they don't mandate "sleep mode" on idle servers. While legislation power usage legislation exists in the Netherlands, operators have declared that the servers are out of their control.

## Ecosystem Developments

- **Scaleway**, a French subscale cloud provider, opened a new availability zone in the Netherlands and has plans to open a full region in Amsterdam. The availability zone, named nl-ams-2, marks Scaleway's second data center project in the Netherlands.
- **Interxion** signed a letter of intent with local utility Polderwarmte to provide residual heat to business parks near by the AMS5 data centre. RichPort and Starpark will be the first beneficiaries of heat from the Digital Realty-owned operator, with a goal of saving an initial 2,500 tons of carbon dioxide. Initially, Interxion will be able to supply 12,000 MWh of heat per year but expects to reach 20,000 MWh of heat after five years.
- **Digital Realty** brought an additional 2.4 MW of capacity online at its Amsterdam Data Tower facility, completing the third phase of expansion.
- **Great Grey Investments Data Center (GGID)** purchased a data center project from Carsana Groep, located on the Donauweg in Amsterdam Westpoort. When complete, the project will have a 100-MW capacity and span 100,000 square meters across three 80-meter-tall towers, with the first tower scheduled to be completed by mid-2023. Waste heat from the facility will be delivered to the district heating network belonging to Westpoort Warmte.
- **AWS** selected Amsterdam as one of 32 metropolitan cities to receive a new AWS Local Zone, as part of the company's global expansion. It is expected to launch by Q2 2024.

**Ecosystem Developments**

- **euNetworks** deployed a new subsea cable, "Scylla," between Lowestoft, England and IJmuiden, Netherlands, connecting the two country's north coasts. Scylla is 211 kilometers long, and it has 96 fibre pairs of capacity. It is buried two to three meters deep, and it is the first subsea cable to connect the two countries since 1999. Terrestrial fibre connects Scylla to both London and Amsterdam and links to euNetworks' metro networks in Dublin, Manchester, London and Amsterdam.
- **Zayo** launched "Zeus," a new cable linking Lowestoft in the UK to Zandvoort, near Amsterdam. The cable will provide a 4,000 Tbps connection between the two countries and follow on the recently completed Scylla cable by euNetworks..

**Outside Amsterdam**

In February, the Dutch government announced a nine-month moratorium, effectively deferring new hyperscale data center development while they determine stricter rules for future hyperscale developments. Data centers larger than 10 hectares and consuming 70+ MW of power, regardless of whether they are co-location or single-user facilities, will be subjected to the restrictions once the moratorium is lifted. Data center development in Het Hogeland, Eemshaven, and Hollands Kroon, Middenmeer are explicitly excluded from the moratorium. As of June, the Dutch cabinet passed a decision, now headed to the Senate and House of Representatives, blocking municipalities from admitting hyperscale data centers in a zoning or environmental plan, which would essentially ban the development of large data centers for the long-term.

Meta has officially killed their 150 MW Zeewolde data center project that would have spanned five data halls. Though the project had initially been approved by the town of Zeewolde, the Dutch Senate paused the sale of government-owned land that the facility was set to be built on, announcing that they did not plan to sell the land. Meta ultimately concluded that the project was not the right investment for them. However the site has power and planning for datacentre purposes.

*Connectivity options have increased in Amsterdam alongside vacancy. Scarce land availability in Amsterdam and the Dutch regulatory environment surrounding hyperscale facilities will likely see regional capacity increases, with new data center developments under 70 MW going forward.*

**Construction Update**

OPERATOR	LOCATION	SIZE (SQM)	POWER (MW)	STAGE / EST. DELIVERY
Switch Datacentres	AMS4 Phase 1	7,000 (est)	7	Under Construction / Q4 2022
	AMS4 Phase 2	15,000 (est)	18	In Planning / Q4 2023
Digital Realty	Amsterdam (2 buildings)	8,800	6.4	Under Construction / Q4 2022
Iron Mountain	AMS-1 Phase 4	6,271	5	Under Construction / Q4 2022
Great Grey Investments Data Center	Building 1	33,333	33.3	Under Construction/Q3 2023
	Building 2	33,333	33.3	In Planning/Unannounced
	Building 3	33,333	33.3	In Planning/Unannounced

### Key Indicators



**Under Construction**  
**291 MW**



**Vacancy**  
**1.35%**

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### Market Overview

Despite extreme tightness in the Dublin market—signaled by the extremely low 1.35% vacancy rate—new applications for data centre development are halted, potentially until 2028. This is due to development woes brought on by EirGrid's de facto moratorium on new data centre development, which impacts approximately 30 planning proposals. The construction pipeline remains healthy for the time being, with 291 MW under construction and 410 MW in planning, as the transmission operator plans to honor the 1,800 MW of previous existing grid connection commitments. Hyperscalers, such as Google and Amazon's AWS, have stated that a ban on new data centres sends the wrong signal about Ireland's ambitions as a digital economy, curtailing investment capital and suggesting that opportunities to invest in the grid and prepare it for growth have been missed entirely. Both Microsoft and AWS have moved projects to other European markets, while Echelon, EdgeConnex, Vantage and CyrusOne have filed suit against a ban on data centre development in South Dublin. Political pressures will likely continue to grow as the moratorium persists and foreign investment capital slows, causing investors look to other geographies for development.

### Ecosystem Developments

- **Energia** has been granted planning permission for two new data centres next to the Huntstown Power Station. The two buildings will be 37,647 square metres with a combined capacity of 80 MW and an onsite biogas plant.
- **Interxion** has effectively halted their \$300 million expansion plan in Dublin due to EirGrid's de facto moratorium.
- **AWS** has opened their third Direct Connect location in Dublin, allowing customers in Ireland and across Europe to establish secure connections to the data centre in the Servecentric, Blanchardstown Corporate Park.

### Construction Update

OPERATOR	LOCATION	SIZE (SQM)	POWER (MW)	STAGE / EST. DELIVERY
Echelon	DUB10	60,758	30	Under Construction / Q4 2022
	DUB20	45,000	63	Under Construction / Q3 2022
	DUB40	6,660	16	Under Construction / Q2 2023
	DUB30	22,210	30	Under Construction / Q4 2024
Equinix	DB5x-1	9,000	19	Under Construction / Q3 2022
	DB8	9,601	20 (est)	In Planning
K2 Data Centres	DUB 2-3	30,000 (est)	30.72	Under Construction / Q4 2022
	DUB 4-5	30,000 (est)	30.72	Under Construction / Q4 2023
	DUB 6	8,000 (est)	8	In Planning
Meta	Clonee	64,000	72 (est)	Under Construction/Unannounced
EdgeConneX	South Dublin	12,797	20 (est)	In Planning
Vantage Data Centers	Profile Park	40,589	60 (est)	In Planning
EngineNode	Bracetown	92,100	180	In Planning
Dataplex	Abbotstown	70,000 (est)	70	In Planning
Energia Group	Huntstown	75,294	80 (est)	In Planning

## Key Indicators



Under Construction  
**133 MW**



Vacancy  
**2%**

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## Market Overview

Frankfurt continues its role as one of the prime European markets despite pricing and regulatory headwinds. Vacancy fell from 5% (H2 2021) to 2% (H1 2022), and several new projects were announced or broke ground. Developments from Digital Realty and Vantage both entered active construction, while maincubes announced yet another data centre for the market. Institutional capital also set its sights on the market, with an additional 1.5 billion euros announced in new data centre-focused funds that will partly target German markets.

Hyperscale remains a key focus, with many of the new phases underway pre-leased to the largest global tenants, such as Google, Amazon or Microsoft. Phased deliveries by Digital Realty, Iron Mountain and Equinix have continued apace, with an estimated 133 MW under construction.

In terms of regulations in the market, the Frankfurt City Council voted for a data centre plan that would allocate specific submarkets for development and prohibit it in others. As land becomes more limited, longer-term strategies for the market will need to be more discerning.

## Ecosystem Developments

- **maincubes** has drawn a new investment partner in Digital Transformation Capital Partners (DTCP) that plans to funnel 1 billion euros to expand the firm's presence in Frankfurt and enter the rapidly growing Berlin market.
- **Digital Realty** initiated construction of another campus in Frankfurt. This campus will eventually provide 83 MW across five data centres, following a 10 MW pre-lease.
- **P3 Logistics Parks** has announced plans to develop a campus of eight data centres on a 250,000 sqm land site in Hanau, just east of Frankfurt. The site will be fully powered by renewable energy and will provide heat and power to Hanau. The site will be providing a total of 180 MW spread over approx. 200,000 sqm building
- **Stack IT**, a subsidiary of Schwarz Group, launched a cloud platform as an alternative to non-European providers.
- **OVHcloud** began construction of a second data centre in Limburg, Germany that will encompass 6,000 square metres and space for 40,000 servers with renewable energy, powering 100% of the facility. OVHcloud plans to invest around 100 million euros in the new project over five years. The waste heat is to be used to heat adjacent office or business premises.
- **Vantage Data Centers** began the second phase of its three-data centre campus in Offenbach. The latest phase will add 16 MW (13,000 square metres) of capacity and provide waste heat to nearby communities. Vantage also announced a second campus that could provide as much as an additional 40 MW to the Frankfurt market.
- **Angelo Gordon** has announced a fund of 500 million euros for data-centre development in Germany. The fund will target both brownfield and greenfield sites, aiming to operate facilities that it develops.
- **Alibaba Cloud** added a third facility to Frankfurt in support of its cloud region for Europe.
- **Wasabi** launched a new storage region in Frankfurt, which will utilize Equinix as the co-location provider.
- **Yondr Group** confirmed an additional 40-MW data centre for Frankfurt. The site, near Bischofsheim (approximately 30 km southwest of Frankfurt), will be the group's second development in the European region.

**Frankfurt’s New Plan for Data Center Developments**

Frankfurt has updated a master plan to address concerns around the rapid growth of data centres in the market and their impact upon available land, energy and the environment. As of March 2022, the city council approved a new set of regulations for data centres, which include limiting future development to the following areas: Sossenheim, Rodelheim, Griesheim, Gallus, Ostend, Fechenheim and Seckbach. Land will be divided into three categories: suitable areas, restricted suitable areas and non-suitable areas. Suitable areas are sites favored for data centre development, particularly those by co-location providers. Restricted suitable areas will have additional requirements for security site infrastructure. The city calculated that these allocated areas should satisfy the estimated 75-hectare land requirement by 2030. Additionally, the plan created a city-wide planning district for utilizing waste heat from data centers to support heating requirements. This would remove some existing policies that were challenging heat redistribution strategies. To learn more about re-utilization of waste heat from data centers for the support of winter heating, please see the Frankfurt update for Autumn 2021.

*Frankfurt has expanded to a 500 MW market, with continued healthy development for hyperscale deployments and major operators keen on expansion.*

**Construction Update**

OPERATOR	LOCATION	SIZE (SQM)	POWER (MW)	STAGE / EST. DELIVERY
Iron Mountain	FRA-1 Phase I-II	40,000	27	Under Construction / Q3 2022- Q3 2022
NDC-Garbe	Hanau	10,000	10 (est)	Under Construction / Q4 2022
Equinix	FR11x Phase 2	5,000 (est)	10	Under Construction / Q2 2023
	FR5 Phase 5	1,338	3 (est)	Under Construction / Q1 2023
Digital Realty	Frankfurt (8 buildings)	134,938	41.96	Under Construction / Q3 2022
CyrusOne	Frankfurt IV	11,334	17	Under Construction / Q4 2022
maincubes	FRA02	7,500	20	Under Construction / Q3 2023

## Key Indicators



Under Construction  
**307 MW**



Vacancy  
**8%**

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## Market Overview

Despite historically high under-construction numbers occurring across London, vacancy has remained in single digits, continuing the trend from our last report. Current demand is anxiously awaiting capacity delivery, with 307 MW currently under construction. Remaining capacity is scattered across London in tiny increments, with hyperscale deployments needing to pre-lease new phases under construction. Ark Data Centres remains under construction on three campuses and Global Technical Realty is underway on their initial UK build. Yondr, Virtus, Echelon, CyrusOne and Equinix are also in the mix, with further capacity arriving soon. While land and power may not be plentiful, both remain available in comparison to other global primary locations. This is due in part to London's developer-friendly disposition toward new data centres, which is further securing the city's spot as a primary hub for large-scale deployments, even without European Union membership.

Investment remains of interest locally, both at the corporate level and for individual assets. Blackstone recently acquired an office and data centre property from Land Securities Group for 196.5 million euros, which is occupied by Equinix in the Canary Wharf area. Green Mountain acquired Infinity SDC Ltd., and as part of the deal, their first data centre outside of Norway. Located in Romford, East London, it supports up to 40 MW of IT load. Numerous existing data centres have expansion plans in place as well. Further corporate investment is reviewed below, with the overall outlook for London looking exceptionally bright over the next two years.

## Ecosystem Developments

- **Zayo Group** and **Equinix** recently completed a 400-Gbps trial focused on high-bandwidth, low-latency services connecting data centres in London and Paris. The 400G technology saw power consumption per gigabit reduced by 40%. Delivery of the technology in European markets is expected by the end of 2022.
- **euNetworks** deployed their new subsea cable, Scylla, between Lowestoft, England and IJmuiden, Netherlands, connecting the two countries north coasts; terrestrial fiber connects Scylla to both London and Amsterdam, as well as euNetworks metro networks in Dublin, Manchester, London and Amsterdam.
- **EXA Infrastructure** began a two-year overpull upgrade for its pan-European networks, using ultra-low-loss optical cables to enable cloud operators and carriers to meet future bandwidth demand. The first upgrade delivered 300 km of hybrid cable on a backbone network in Spain.
- **Stratus Data Centres** released plans to build two 18 MW Tier III data centres in Belvedere, in southeast London. The site is part of Riverside Energy Park, and it will source ~45 MW of clean power from the riverside waste-to-energy plant and will also host a solar photovoltaic farm and battery storage.
- **NTT** has continued expanding in the London market by opening their seventh data center, Hemel Hempstead 4 (HH4), which will see 24 MW of IT load and span 9,600 square metres when fully built out. Expansionary plans for NTT include increasing their total capacity in London from 53 MW to more than 120 MW at full buildout, falling in line with plans to increase IT load by 40% across EMEA by summer 2023.
- **Kao Data** has continued expanding with a recently opened 16-MW facility in Slough and the acquisition of two occupied data centres in west London. Construction is also underway on a second 10-MW facility at its Harlow Campus which will have a PUE of <1.2 and utilize 100% renewable energy.

*London will continue to be a European data centre hub, with ever-larger development phases planned in the pursuit of hyperscale tenants through 2023.*

### Construction Update

OPERATOR	LOCATION	SIZE (SQM)	POWER (MW)	STAGE / EST. DELIVERY
CyrusOne	London V	12,077	16.5	Under Construction / Q3 2023
Echelon Data Centres	LCY 20	9,000	30	Under Construction / Q4 2022
Equinix	LD7 Phase 2	6,341	9.1	Under Construction / Q3 2022
	LD11x Phase 2	4,955	9	Under Construction / Q3 2022
Virtus	London 11	5,500	13	Under Construction / Q4 2022
Iron Mountain	LON-2	25,000	9	Under Construction / Q4 2022
Ark Data Centres	Union Park	56,000	75	Under Construction / Q4 2022
	Longcross Park	35,768	30	Under Construction / Q4 2023
	Alliance Park	27,871	45	Under Construction / Q4 2023
Global Technical Realty	Slough	16,125	40.5	Under Construction / Q4 2022
Yondr	Slough	41,312	30	Under Construction / Q1 2023
Columbia Threadneedle	Langley	93,000	100 (est)	In Planning
Stratus Cromwell	London	90,000 (est)	100	In Planning
EdgeCore	Bracknell	8,692	20	In Planning
Kao Data	Harlow	3,400	10	Under Construction/Unannounced
Stratus Data Centres	Belvedere Phase I	Unknown	18	In Planning
	Belvedere Phase II	Unknown	18	In Planning

### Recent Property Sales

PROPERTY	SIZE (SQM)	SALE DATE	SALE PRICE	BUYER	SELLER
6-9 Harbor Exchange, Canary Wharf, London	25,845	Dec-21	£196,500,000.00	Blackstone	Land Securities Group
36-43 Great Sutton Street, Farringdon, London	8,454	Apr-22	£45,000,000.00	Digital 9 Infrastructure	Apollo Global Real Estate



## Key Indicators



Under Construction  
**8 MW**



Vacancy  
**11%**

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## Market Overview

Vacancy in Madrid has continued its downward trend throughout the first half of 2022, dropping from 16% in 2H 2021 to 11% in 1H 2022. Absorption figures were exceptionally high for Madrid at 32.5 MW in 1H 2022, accounting for about a third of the total capacity that exists in the market. The amount of space currently under construction is relatively light, at 8.1 MW, however more than 220 MW of capacity is currently in planning. Investment interest in infrastructure and data centres in Madrid is growing at a steady pace, attracting the likes of hyperscalers as well as co-location and edge providers. Well-known firms, such as NTT, SiteGround and UpCloud, have opened new data centres in 2022. Digital Valley and Thor Digital, a division of Thor Equities, have both announced intentions to build 360 MW and 100 MW of final capacity at campuses in the Madrid area, respectively. Cloud services providers are expanding their presence as well with Google, AWS and Oracle all announcing new cloud regions in the market. Additional firms investing in Madrid include KKR, Ardian, Macquarie Capital, Prime Data Centers, Xdata and Meta. A high degree of growth and investment is expected to continue in Madrid given the geographic location of Spain, the arrival of new subsea cables, renewable energy capacity and support from Spain's government.

Digital transformation is a core focus of Spain's five-year plan, Spain Digital 2025, promoting the country in line with the digital strategy of the European Union. Several key areas of focus in Spain Digital 2025 include connectivity and digital infrastructure, 5G technology, the digitalization of public administrations, and strengthening the digital skills of its workforce.

## Ecosystem Developments

- **Google** recently launched a new Google Cloud Region in Madrid, providing low-latency, high-security cloud services to meet the growing technology needs of Spanish businesses. Named Europe-southwest1, the region will consist of three cloud zones and Google's standard set of products.
- **Google's** Grace Hopper subsea cable system is expected to go live in 2022, marking the company's first-ever route to Spain and connecting the United States and United Kingdom with Spain at its landing in Bilbao. The cable stretches 6,300 km to New York and comprises 16 fibre pairs; it is capable of transmission speeds of 350 terabits per second, and it has optical switching capabilities.
- **AWS** shortened its timeline on its new data centre region in Spain, from 2023 to mid-2022. Located in Aragon, the region will have three data centres, marking AWS's first dedicated zone in Spain. Additionally, the company announced an investment of 2.5 billion euros in Spain over the next decade.
- **Oracle** and **Telefónica** entered a partnership to jointly offer cloud platform-as-a-service and applications to private- and public-sector organizations in Spain. Through the partnership, Telefónica will become the host partner for Oracle's first cloud region in Spain.
- **Xdata** parent company, **Stoneshield Capital**, is trying to sell a stake in the company to help fund development of the recently acquired Indra campus in Madrid. Stoneshield seeks to develop Indra into a 100-MW campus known as San Fernando Park, with a total investment for the expansion reported to be around 750 million euros.

### Latest Developments From Spain

The data centre market in Spain is also experiencing growth and increased investment interest. Best Wonder Business (BWB) announced plans to develop a solar-powered data centre in Aragon, Spain. Four solar farms, capable of 178 MWp, are planned to be delivered in Phase 1 of the project in Zaragoza. Phase 2 will include a 16-MW data centre, expected to be completed in 2024. BWB has further plans for 56 renewable energy projects and six data centres, with locations in Aragon, Navarra, Barcelona, Valencia, Madrid and Seville. Outside of the 34-MW facility that Interxion Spain is building in Madrid, the company also recently acquired land in the Barcelona market. With plans to develop the land into a 15-MW data centre known as BCN1, it is expected to be completed in 2024. Aire Networks is also active in Spain, having recently opened data centres in the Malaga TechPark and Toledo. Additionally, myriad new and established companies are looking to develop data centres in Spain, including Merlin Properties, Global Switch, CyrusOne, Renta Corporación, EdgeConnex, Google, Oracle, AWS, Microsoft and Meta. Principal Real Estate announced its first asset acquired in the Principal European Data Centre Fund I, which is a 6-MW, 10,500-square-metre data center in Barcelona, occupied by AtlasEdge until 2033.

*Sustained growth in Madrid—and Spain as a whole—is expected in the long term, as economic digitization coupled with government support presents a highly favorable business environment for investors and data centre operators.*

### Construction Update

OPERATOR	LOCATION	SIZE (SQM)	POWER (MW)	STAGE / EST. DELIVERY
Equinix	MD2 Phase 4	4,960	1.1	Under Construction / Q3 2022
Digital Realty	MAD4	35,000	34	Under Construction / Q4 2022
Nabix	ADC2	57,000 (est)	87.2	Under Construction
Digital Valley	Madrid	TBD	360 (est)	In Planning
Thor Digital	Madrid 1	200,000	100	In Planning
Meta	Toledo	300,000	125 (est)	In Planning
CyrusOne	Madrid I	6,000	21	In Planning

### Recent Property Sales

PROPERTY	SIZE (SQM)	SALE DATE	SALE PRICE	BUYER	SELLER
Madrid Data Centre, Calle de Telemaco, 5, Madrid	2,200	Nov-21	Part of Portfolio	AtlasEdge	Colt Data Centre Services

## Key Indicators



Under Construction  
**18 MW**



Vacancy  
**10%**

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## Market Overview

In the last year, Milan has seen an uptick in vacancy, with the vacancy rate creeping into double digits at 10% as new capacity comes online. Construction activity is healthy, with approximately 17.5 MW underway and more than 80 MW in planning phases. The data centre market in Milan is undergoing a period of growth that is expected to continue as investment continues across all facets of the industry. New infrastructure projects are underway, consolidation is occurring in connectivity and cloud regions are being created by tech giants like Google. Developers, such as Hines, are acquiring land to enter the market, and international project management firms, such as Turner & Townsend, are establishing their presence in Milan. Many owners and operators that have been in the market are expanding existing capacity to meet demand, as digital transformation is well underway. Euronext, whose long-time headquarters were in the United Kingdom, recently completed its data centre migration project to the Aruba Global Cloud data center IT3, just 51 km northwest of Milan in Bergamo, Italy.

The main cluster of data centres in Italy is in Milan, however, there has been interest in the eastern and southern areas of the country as well. Many municipalities throughout Milan are banning logistic activity in industrial areas in favor of data centres, which have a higher value per square metre when compared to logistics properties.

[Find further insight on data centres in Italy here.](#)

## Ecosystem Developments

- **Google** recently launched a new Google Cloud region in Milan aimed at accelerating digital transformation across Italian companies of all sizes and across all industries. Named Europe-west8, Google predicts the region will generate up to 3.3 billion euros and support 65,000 new jobs by 2025.
- **Stack Infrastructure** opened a third data centre at their Milan campus, adding an additional 10 MW of capacity and bringing the total to 50 MW. Future expansion is possible as the firm owns 100,000 square meters of expansion land near the campus that could add an additional 80 MW of capacity.
- **Compass Datacenters** and **Hines** recently acquired land in the Milan area, with the intention of building one of the largest data centre campuses in Italy. The 48 MW, 213,677-square-metre project is expected to begin construction in 2023.
- **Asterion** acquired a majority stake in Italian digital infrastructure firm Irideos, with plans to combine the firm with Retelit to create a connectivity provider across Italy. The Irideos network comprises 27,000 km of fibre-optic cable and serves 15 data centres across the country, while the Retelit network stretches 15,000 km of fibre and serves 19 data centres.
- **Isalink** is currently building a 24-fibre pair ultra-low-loss subsea cable, known as IONIAN, connecting Crotona, Italy with Preveza, Greece. In their partnership with Isalink, EXA Infrastructure will offer a fibre route between Crotona and major Italian data centre hubs in Milan and Rome.

### Latest Developments From Italy

Italy is experiencing rapid growth in its data centre market as investment pours in across the industry with the rise in demand for enterprise cloud services. Italian hyperscale data centre operator, Aruba, is currently underway on a 30-MW campus named IT4, which will have five data centres in Tecnopolo Tiburtino, a technical center east of Rome. Moreover, Open Fiber, an Italian telecommunications firm, claimed they will invest 11 billion euros in fibre and infrastructure by 2031. The city of Genoa recently received increased connectivity with 2Africa, which at 45,000 km, is the longest subsea cable ever deployed. The cable is designed to connect 36% of the global population across Africa, Europe and Asia. Additionally, BAI Communications announced its expansion into Italy—the company’s first operation in Europe outside of Ireland and the UK—to focus on neutral host solutions and 5G infrastructure.

*Milan is an emerging data centre market that is quickly becoming a hotbed of activity for investors, expanding operators and cloud services providers.*

### Construction Update

OPERATOR	LOCATION	SIZE (SQM)	POWER (MW)	STAGE / EST. DELIVERY
Irideos	Avalon 3	3,500	3.2	Under Construction / Q2 2022
Compass Datacenters/Hines JV	Noviglio, Milan	213,677	48	In Planning
Stack Infrastructure	MILL2	20,000	30	In Planning
	MILL 3	5,000	10	In Planning

### Recent Property Sales

PROPERTY	SIZE (SQM)	SALE DATE	SALE PRICE	BUYER	SELLER
32-38 via Kuliscioff, Lorenteggio district, Milan	23,600	Aug-21	€20,000,000.00	Lambert Real Estate Alternative Investment Fund	AXA IM Alts

### Key Indicators



**Under Construction**  
**55 MW**



**Vacancy**  
**2%**

### MORE INFORMATION

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### GLOBAL DATA CENTER ADVISORY GROUP

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### Market Overview

New projects from both hyperscalers and co-location providers continue to emerge in the market as vacancy has contracted to 2%. Multiple players have added new cloud regions in the Paris area, including Google, Oracle and Wasabi. While there have been some new deliveries, the bulk of the pipeline remains in planning stages, including DATA4 and CloudHQ's large projects in Marcoussis and Lisses, respectively.

Thales, a French defense company, has established S3NS, a partnership with Google to develop a trio of data centres that will provide cloud hosting services with state-vetted security. The firm aims to target the largest financial and healthcare institutions in France as its top potential customers, with a launch date planned for 2024. A competitor, Bleu, will be established as a joint venture between telecom giant Orange and IT consultancy Capgemini.

### Ecosystem Developments

- **Colt** plans to expand its 20-MW (5,000-square-metre) data centre by an additional 12.8 MW of capacity. Earlier this year, the company purchased 10 parcels of land for data centre development in the markets of Paris, London, Frankfurt, Osaka and Tokyo.
- **Digital Realty** announced that it will host Oracle's newly launched cloud region in La Courneuve, near Paris. This coincides with the Sept. 2022 rebranding of the REIT's European branch, Interxion, into the formal umbrella of the Digital Realty Trust. The project will encompass 130 MW and 43,200 sqm of white space.
- **Google Cloud** opened a Paris region. The three availability zones making up Europe-west9 add to the 34 existing global regions Google Cloud has maintained.
- **Equinix and Zayo** completed testing of a 400-Gbps subsea fibre network between London and Paris.
- **France-IX** launched a new exchange region in northern France. The new Lille location will join Paris, Marseille and Lyon. In addition, the company deployed 100 Gbps of connectivity between Paris, Toulouse and Marseille.
- **Zain Global Connect** plans to build a new France-Saudi Arabia subsea cable connection. A component of PEACE, the landings are planned in Jeddah and Marseille and will be RFS in the first half of 2023.

### Construction Update

OPERATOR	LOCATION	SIZE (SQM)	POWER (MW)	STAGE / EST. DELIVERY
Equinix	PA10 Phase 1	3,969	5 (est)	Under Construction / Q3 2022
	PA10 Phase 2	5,775	7 (est)	In Planning / Q2 2024
Digital Realty	Paris (3 buildings)	39,882	42.9	Under Construction / Q4 2022
	Les Ulis	100,000 (est)	130	In Planning
Telehouse	Magny-les-Hameaux	7,000 (est)	7	Under Construction / Q3 2023
DATA4	Marcoussis	100,000 (est)	100	In Planning
CloudHQ	Lisses	106,000	148.8	In Planning