

Data Centres The EMEA Report



October 2025

Navigating the Data Centre landscape in the EMEA region.

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Foreword



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The first three quarters of 2025 have reinforced the enduring features of the EMEA data centre market: robust, technology-led demand – notably for hyperscale cloud and AI capacity – and simultaneous intensification of supply-side constraints – driven by power, planning, and delivery risks. Across core European hubs, operators and investors are continuing to navigate this environment by accelerating commitments, reshaping site-selection priorities, and adopting new operational models to secure resilient, low-carbon power at scale. However, with leasing volumes now consistently outpacing fresh supply, the imbalance between demand and deliverable capacity has widened further in 2025.

Activity during the first three quarters of 2025 has remained concentrated in Europe's largest hubs – notably Frankfurt, London, and Paris – where hyperscale demand continues to

dominate leasing activity. However, each of these markets, as well as Amsterdam and Dublin, are grappling with significant grid constraints and regulatory bottlenecks, meaning new supply cannot be delivered at the pace occupiers require. Resultingly, aggressive pre-leasing tendencies has left limited optionality for new market entrants and reinforced pricing premiums attached to sites with secured, near-term power availability.

Two interlinked themes have dominated investor operator decision-making. Firstly, the rapid and growing appetite for AI-optimised compute is increasing demand for large blocks of power and low-latency interconnection. Secondly, grid limitations and regulatory scrutiny of on-site generation have elevated the strategic importance of long-term power procurement. Operators are therefore pursuing a range of responses – such as long-term PPA's and captive generation – to de-risk delivery and meet tenant sustainability commitments.

Regionally, there are clear and divergent trajectories. In markets such as Paris and Milan, large institutional and hyperscale commitments have expanded long-term pipelines and attracted new developer models – Paris has moved to the forefront following major AI-focused campus announcements, as well as a new leasing agreement for Mistral AI. Conversely, highly constrained markets, such as Dublin and Amsterdam, continue to see leasing outstrip deliverable supply, with the vast majority of upcoming capacity pre-let, with no short-term demand relief.

Looking ahead to the remainder of 2025 and into 2026, the market is likely to remain divided. Where power and planning can be aligned with demand, capacity will be absorbed rapidly, and rents and land values will remain supported. Where energy constraints and planning bottlenecks persist, development timelines will extend, and occupiers will look to alternative regions or adopt hybrid development strategies that combine central cloud regions with edge solutions. The speed at which utilities, regulators, and operators collectively resolve grid and procurement challenges will therefore be a critical determinant of how announced pipelines translate into operational capacity.

This report explores how rising capital commitments intersect with accelerating AI demand, intensifying energy pressures, and shifting investment strategies in the rapidly evolving EMEA region.

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Johannesburg



Frankfurt

► **6.3m**

Population

► **94%**

Internet Users

► **2.15%**

Interest Rate

► **\$0.293**

Electricity Price,
USD per kWh

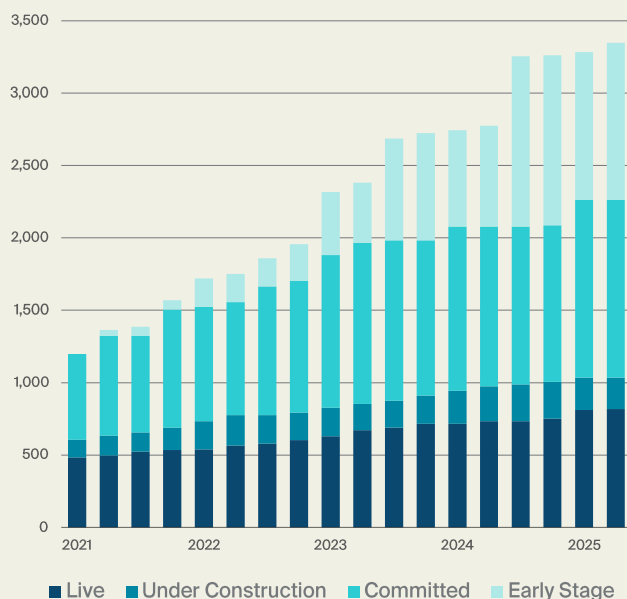
SUPPLY

Frankfurt has added 67.6MW of new live capacity so far in 2025, delivered by Yondr (20MW), Vantage (16MW), Equinix (14MW), CloudHQ (11.2MW), and Digital Realty (6.4MW), lifting the market's aggregate supply to more than 3.3GW.

At the same time, tighter zoning restrictions have slowed inner-city development. Global Switch's campus expansion remains blocked by planning policy. This is pushing operators to look to the metro periphery to secure land and power. Colt DCS has announced two new sites in Wiesbaden totaling 63MW, EdgeConneX is expanding in Heusenstamm, and Firstcolo is developing a 24MW campus in Rosbach, 30km north of the city.

With grid pressure and resilience concerns intensifying, the market is also shifting toward on-site power strategies to secure long-term capacity. CyrusOne and E.ON are delivering a 61MW on-site generation system at FRA7, while Rolls-Royce and Ineratec have launched e-diesel production in Frankfurt to help decarbonise backup generation.

Supply

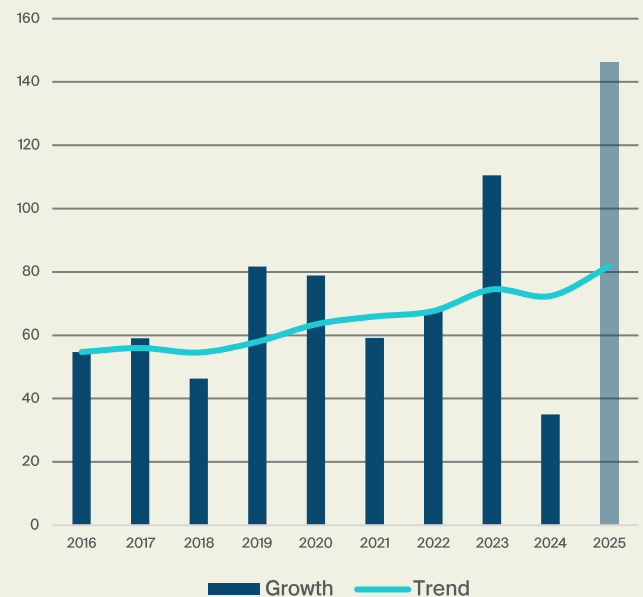


TAKE-UP

Frankfurt led all European data centre markets in H1 2025, recording the highest take-up at 159MW. Public cloud providers drove nearly all activity, accounting for every deal but one over the past six months.

Supply remains exceptionally tight, with vacancy at just 0.6%, equivalent to only 4.8MW of available capacity, and just a single site able to accommodate a requirement above 2.5MW. Future demand is also locked in, with 71.7% of capacity under construction already pre-let.

Live Supply Growth



LEADING OPERATORS

Frankfurt's data centre market remains heavily weighted toward colocation rather than self-build, with colocation facilities making up 97.6% of total capacity.

The landscape is dominated by Equinix, NTT and Digital Realty, which together operate 61% of live colocation space. Digital Realty and Equinix account for 27% of capacity under construction, while NTT represents a further 22% of the future pipeline capacity.

London

► 18.6

Population

► 96%

Internet Users

► 4.00%

Interest Rate

► \$0.485

Electricity Price,
USD per kWh

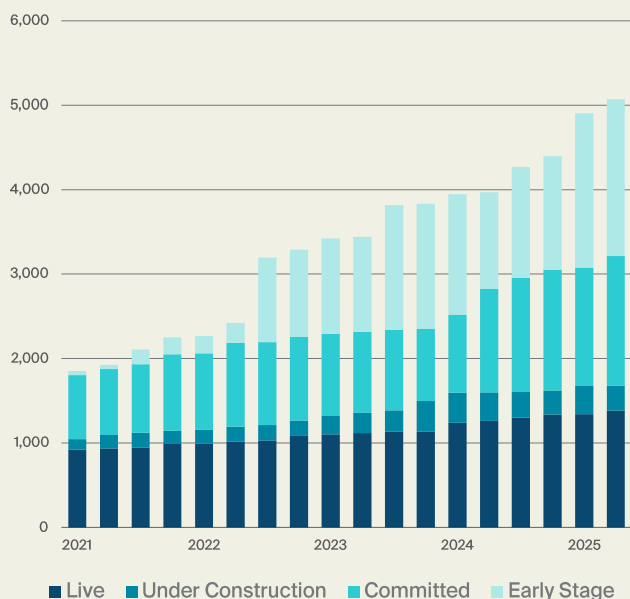
SUPPLY

London remains Europe's largest hub by aggregate supply, now at 5.1GW and continues to draw sustained hyperscale and colocation investment. 47.4MW of new capacity was energised in the first half of the year, but the pace of further delivery is increasingly driven by electricity availability rather than construction schedules.

National Grid's connection reforms, shifting to a "first-ready, first-connected" model and the development of major substations such as Uxbridge Moor, expected to support more than a dozen facilities, are beginning to reshape project timelines and investment strategies.

The UK government's AI Energy Council brings together hyperscalers, utilities, and regulators to ensure that the build-out of AI is matched with clean and reliable power. At the same time, operators are accelerating renewable procurement. Telehouse has signed a ten-year PPA with the London Array offshore wind farm to secure direct green power for its Docklands estate, building on Iron Mountain's mid-2024 move to add onsite solar generation at its Slough facilities.

Supply

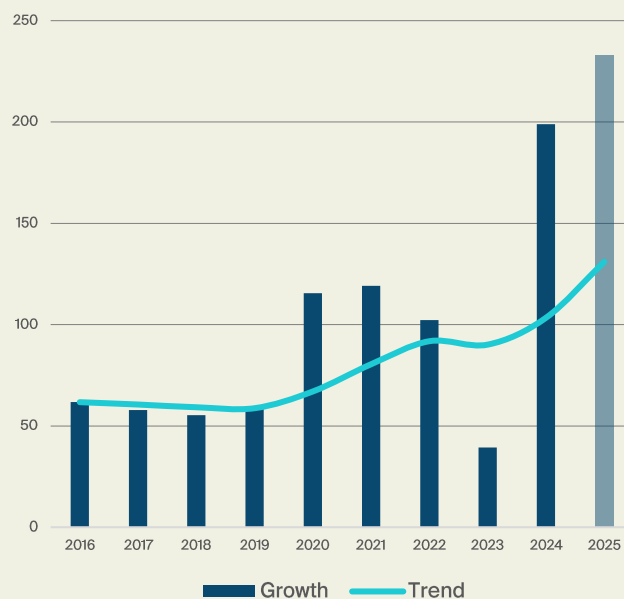


TAKE-UP

London's data centre market has recorded 23.9MW of take-up in 2025 to date, with AI-related activity driving 40% of leasing demand.

Colocation availability remains tight at just 5.9%, with no facilities able to meet hyperscale requirements and only seven sites capable of accommodating deployments of 2.5MW or more. Forward supply is already heavily absorbed. Across the construction pipeline, 87.8% of capacity has been pre-let and a further 12.2% of committed projects are under pre-lease agreements.

Live Supply Growth



LEADING OPERATORS

London's colocation market remains both diverse and highly competitive, with the five largest operators controlling just 54% of live capacity. The construction pipeline reflects a similar spread of ownership. Ark Data Centres leads with 64.8MW under construction, while global cloud hyperscalers, Microsoft, Amazon Web Services, and Google, collectively account for 32% of pipeline deployments. Looking further ahead, the future pipeline points to new competitive dynamics. Reef Group, a new entrant to the market, holds the largest single share at 18%.

Amsterdam

► 3.4m

Population

► 97%

Internet Users

► 2.15%

Interest Rate

► \$0.224

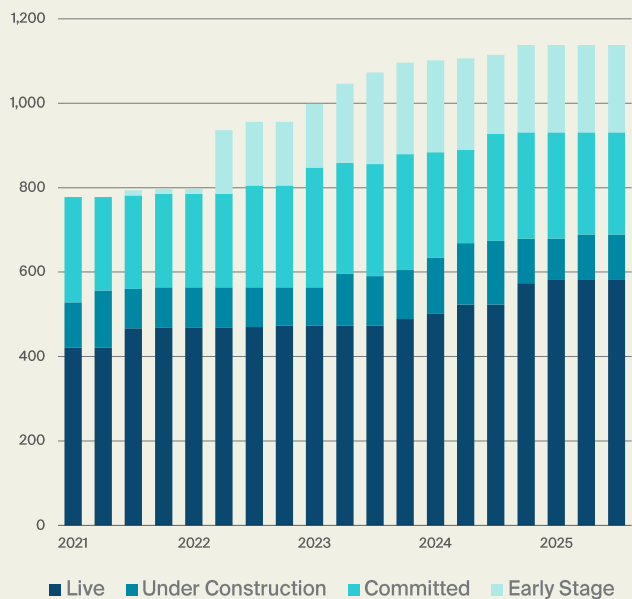
Electricity Price,
USD per kWh

SUPPLY

Amsterdam’s data centre market remains heavily constrained by policy restrictions and grid congestion, leaving the city with the smallest development pipeline of any major European hub at just 556.2MW. New supply has been limited, with only 31.9MW delivered over the past 12 months, all of it concentrated in the second half of 2024. Operators are focusing on incremental, brownfield-led expansions in secondary locations rather than pursuing large greenfield campuses within the city limits. NorthC has broken ground on a 4.5MW project in Aalsmeer, while Iron Mountain is adding 10MW at its AMS-1 campus in Haarlem.

euNetworks announced in July 2025 that it will close its Amsterdam facility for redevelopment. At the same time, Amsterdam is beginning to attract next-generation compute investments. In March, Digital Realty confirmed it will host a quantum computer for national research network SURF at its AMS17 facility in Amsterdam Science Park. And in July, Oracle announced a \$1 billion investment over the next five years to expand its AI infrastructure capacity in the Netherlands, with much of that spend directed toward Amsterdam’s cloud region.

Supply

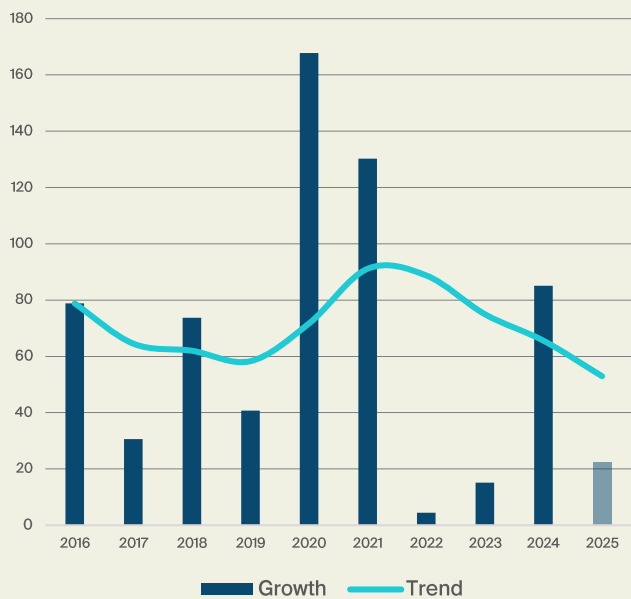


TAKE-UP

In the first half of 2025, transaction volumes in Amsterdam were limited, with just 2.4MW of take-up recorded.

Colocation vacancy currently stands at 7.5%, with only one facility able to support hyperscale deployments and just three sites capable of meeting requirements of 2.5MW or more. Of the capacity now under construction, 36.3% has already been pre-let, while 4.6% of the future development pipeline is already leased.

Live Supply Growth



LEADING OPERATORS

EdgeConneX currently leads the market, closely followed by Digital Realty and Equinix. Together, these three operators make up 67% of the live colocation capacity. Within the under construction pipeline, new market entrant Pure Data Centres and CyrusOne hold the largest share, together accounting for just over half of total space.

Switch Datacenters holds the largest future pipeline, with 187MW planned across three sites. Digital Realty follows with a 20% share, while GID ranks third at 12%.

Dublin

► **2.9m**

Population

► **97%**

Internet Users

► **2.15%**

Interest Rate

► **\$0.300**

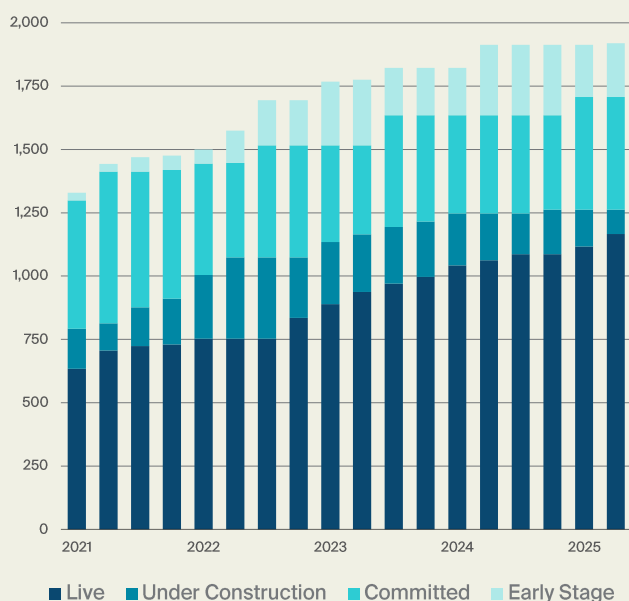
Electricity Price,
USD per kWh

SUPPLY

Dublin's supply remains flat at 1.9GW, as power scarcity defines the market. The CRU has proposed rules requiring new facilities to balance demand with on-site generation or storage, while legislation could allow private transmission lines. Digital Realty is advancing a gas plant at Grange Castle to bring stalled capacity online, but planning decisions are reinforcing the shift from fossil-heavy models. Equinix's gas bid was rejected and Vantage's plan for on-site generation without a firm grid connection was refused.

Approvals remain possible but now face tighter conditions. Ireland's national planning authority approved two EdgeConneX projects in South Dublin only on the basis of direct grid connections and renewable-fuel generators. Operators are also turning to clean energy sourcing, with Keppel DC REIT signing a 10-year wind PPA for two Dublin sites. Hyperscalers are hedging. AWS is defending three Fingal projects under appeal, while Microsoft redirects build to other European markets. Spillover demand is shifting beyond Dublin, as Red Admiral puts forward plans for a 600-acre campus in Westmeath despite local pushback, while a €3bn Kildare expansion has been resubmitted with clean energy credentials.

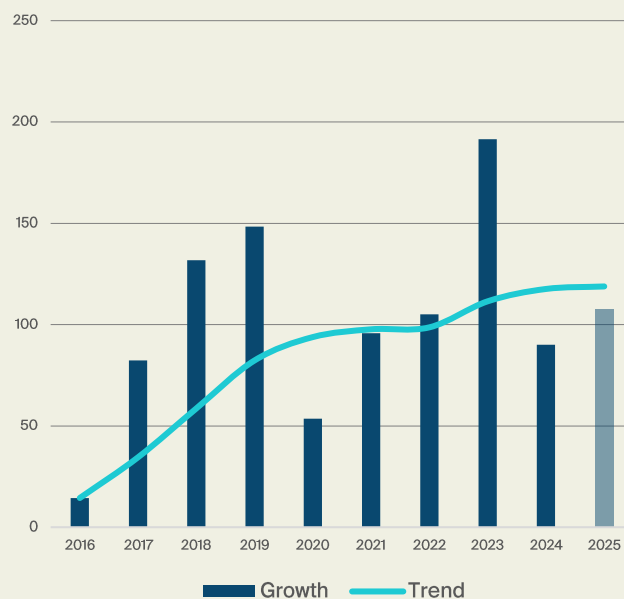
Supply



TAKE-UP

In the first half of the year, the Dublin market recorded 31.1MW of take-up, with public cloud providers continuing to dominate activity and accounting for 97% of overall demand. With a vacancy rate of just 1.3%, Dublin remains one of Europe's tightest markets, second only to Frankfurt. This leaves only 4MW of colocation capacity available. No facilities can accommodate hyperscale requirements. The construction pipeline offers little immediate relief, 94.8% of space under development is already pre-let. Even further out, 22.2% of future capacity is already pre-let.

Live Supply Growth



LEADING OPERATORS

Dublin's market is dominated by public cloud service providers, with Amazon Web Services, Microsoft, Google, and Meta accounting for 73% of built IT capacity. For colocation, Echelon, Equinix, and K2 lead, with smaller contributions from EdgeConneX and Digital Realty. Under construction pipeline is led by EdgeConneX, holding 62% market share, followed by Pure Data Centres at 16% and Vantage Data Centers at 13%. The future pipeline is more diverse, with the top five operators, Amazon Web Services, Microsoft, EngineNode, Google, and Echelon, together representing 57% of planned developments.

Paris

► **12.4m**

Population

► **87%**

Internet Users

► **2.15%**

Interest Rate

► **\$0.185**

Electricity Price,
USD per kWh

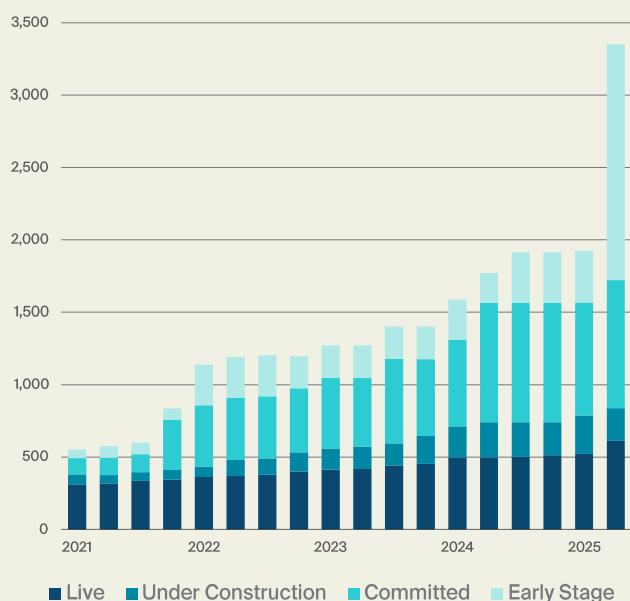
SUPPLY

The start of 2025 saw Paris's development pipeline expand dramatically, Equinix delivered a 28.8MW facility in Meudon, while the French government partnered with Bpifrance, Scaleway, Nvidia, and Mistral AI to advance a landmark 1.4GW AI-focused campus. These announcements place Paris on course to surpass 3.4GW of capacity, positioning it with Frankfurt and London among Europe's leading hyperscale hubs.

A wave of new developers and institutional capital is coming to the fore. Prologis has plans to commit nearly 600MW across France, Icade is advancing a 15MW Orly project, and Segro is developing a 32MW facility in Val-de-Marne. Consolidation is also accelerating, with investors like Vesper acquiring French operator Thésée.

Development is increasingly suburban and brownfield-led. Operators are targeting sites in Meudon, Lisses, and Villebon-sur-Yvette, where land and power are more accessible. Projects incorporate noise mitigation, heat reuse, and community consultations, signaling a growth model that balances scale with local urban and environmental priorities.

Supply

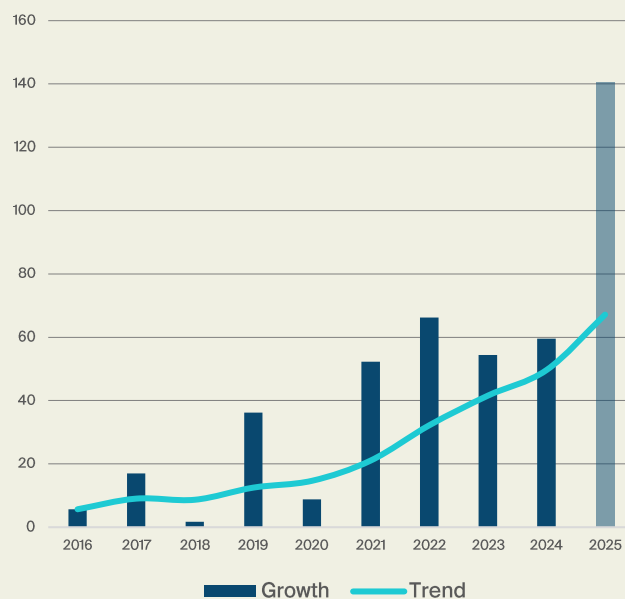


TAKE-UP

In the first half of 2025, Paris saw 51.6MW of leasing, lifting the trailing 12-month total to 126.6MW. Activity was driven by demand from both public cloud providers and AI, with momentum set to accelerate following Mistral AI's landmark 1.4GW campus announcement.

Market availability remains constrained, with colocation vacancy at just 3.4%, equivalent to 18.8MW of space. Pre-leasing is strong, with 61.2% of capacity under construction already committed, alongside 16.4% of the future pipeline.

Live Supply Growth



LEADING OPERATORS

Paris's colocation market remains concentrated, with Digital Realty, Equinix, and DATA4 collectively controlling 60% of built IT capacity. Development is led by OpCore and Equinix, each representing 21% of projects currently under construction. The future pipeline is dominated by Mistral AI, which accounts for 56% of planned capacity. Beyond this, Digital Realty, DATA4 and Goodman collectively contribute 564MW of upcoming developments.

Madrid

► **7.0m**

Population

► **95%**

Internet Users

► **2.15%**

Interest Rate

► **\$0.148**

Electricity Price,
USD per kWh

SUPPLY

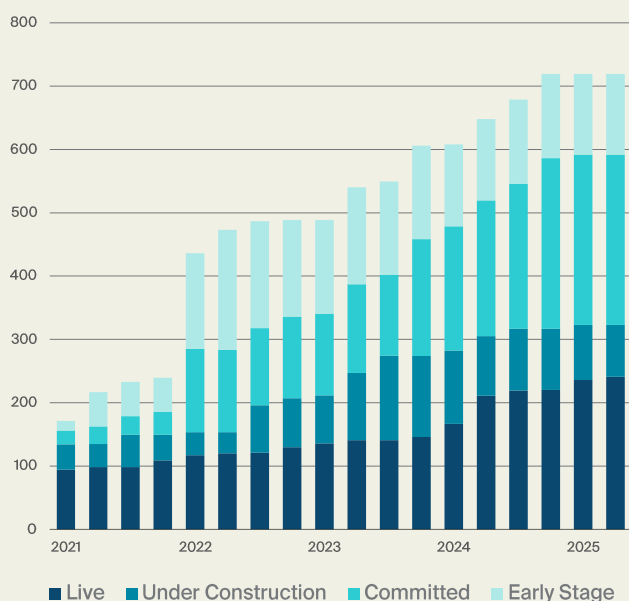
Madrid is quickly becoming one of Southern Europe's most dynamic and competitive data centre markets, now accounting for more than half of Spain's live IT supply. Operational capacity has reached 240.8MW following the recent delivery of 20.5MW in new projects, although the surge in demand is placing increasing pressure on grid connections.

A wave of large-scale campus developments is underway. Echelon and Iberdrola have announced a 230MW Madrid South joint venture. Bain Capital's Hscale launched with the 192MW MAD1 site, while Avaio Digital secured 56MW for a new campus in Algete.

Institutional capital is also flowing into the market. Arjun Infrastructure recently completed a \$3.6bn acquisition of a stake in Data4, which includes Madrid-based assets.

Power access and sustainability commitments are becoming central to growth. Red Eléctrica has approved more than 340MW of new grid connections, while nLighten signed a renewable PPA with Shell Spain. On the demand side, Real Madrid and Cisco have partnered on an AI-ready facility at Real Madrid City.

Supply

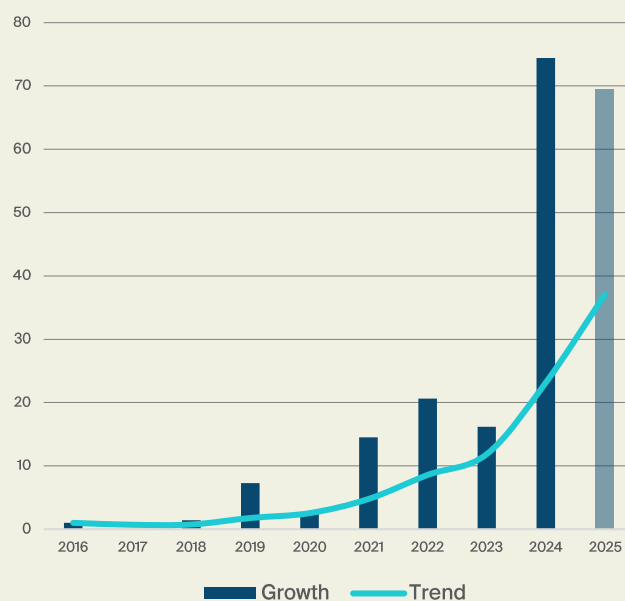


TAKE-UP

Madrid's data centre market remains heavily driven by colocation, which represents 88.5% of total supply. Take-up reached 9.2MW in H1 2025, pushing the trailing 12-month volume to 28.7MW.

Current colocation availability stands at 14.9%, equating to 28.3MW across 21 sites. However, only one site is suitable for hyperscale requirements. Looking ahead, 29.4% of capacity under construction has already been pre-let, while the future pipeline remains mostly open, with only 11.8% pre-let.

Live Supply Growth



LEADING OPERATORS

Madrid's data centre market is highly competitive, with Equinix, Nabiax, DATA4 and Microsoft together representing 51% of built IT capacity.

In the development pipeline, colocation operator DATA4 and new entrant Form8tion Data Centers are in the lead, each with 24.0MW under construction. Form8tion accounts for the largest share of the future pipeline at 22%, with Nabiax and Iron Mountain following at 14% and 12% respectively.

Milan

► **3.2m**

Population

► **87%**

Internet Users

► **2.15%**

Interest Rate

► **\$0.425**

Electricity Price,
USD per kWh

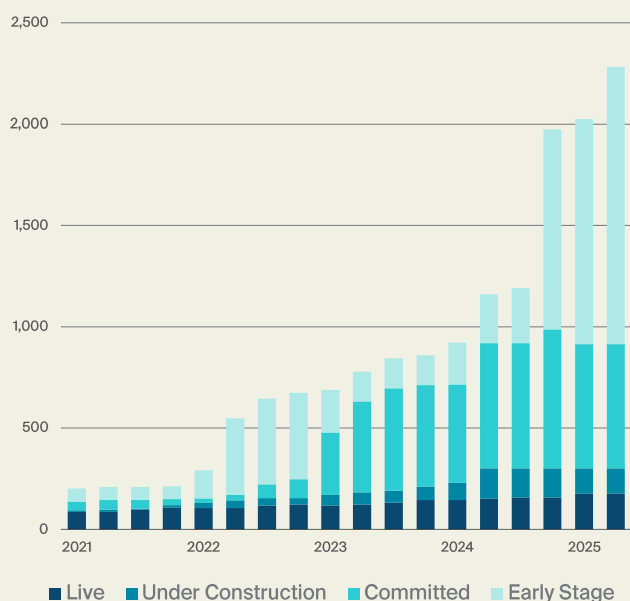
SUPPLY

Hyperscale demand and institutional investment defined early 2025 in Milan, with aggregate supply surpassing 2.2GW after nearly doubling in the past year.

At the end of 2024, Microsoft confirmed a €4.3 billion commitment to expand its cloud and AI footprint in Italy, the company's largest investment in the country to date. Microsoft has since partnered with Aruba to deliver Azure Local services from campuses including Bergamo. OVHcloud entered the market with its first Italian data centre, redeveloping a former DXC site near Milan, and is planning a three-availability-zone Lombardy cluster that strengthens the city's role as the national gateway for cloud services.

Milan is seen as a strategic destination for long-term investors. Bain Capital launched Hscale, with plans for two east-Milan campuses totalling up to 165MW. Apollo Global Management is acquiring Stack Infrastructure's EMEA portfolio, including its Milan asset, while Virtus Data Centres, backed by ST Telemedia Global Data Centres, confirmed its entry into Italy through the redevelopment of a 71,000 sqm brownfield site in Cornaredo into a 70MW campus.

Supply

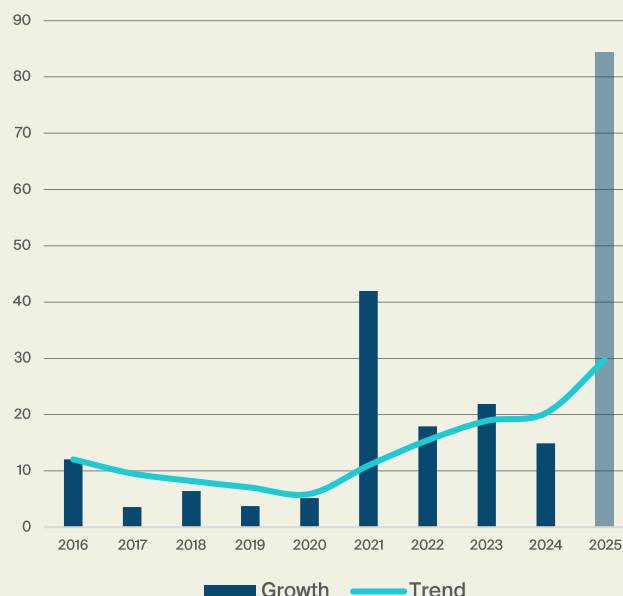


TAKE-UP

Following a subdued end to 2024, Milan's leasing market rebounded strongly in the first half of 2025, with 23.9MW of take-up. Public cloud demand accounted for 84% of activity.

The city's colocation vacancy stands at 8.9%, equating to just 12.5MW of available capacity. No facilities can currently support hyperscale requirements. Construction activity is heavily pre-let, 92.6% of capacity under development is already leased, while more than half of total committed pipeline capacity is pre-let.

Live Supply Growth



LEADING OPERATORS

STACK Infrastructure leads Milan with 26% of live IT capacity, followed by DATA4 at 19% and Equinix at 15%. On the development front, STACK, Compass Datacenters, and DATA4 control the largest share of capacity under construction. The future pipeline is dominated by Apto with 606.2MW, while CloudHQ and STACK together contribute a further 577.0MW.

United Arab Emirates

► 10.7m

Population

► 100%

Internet Users

► 4.40%

Interest Rate

► \$0.110

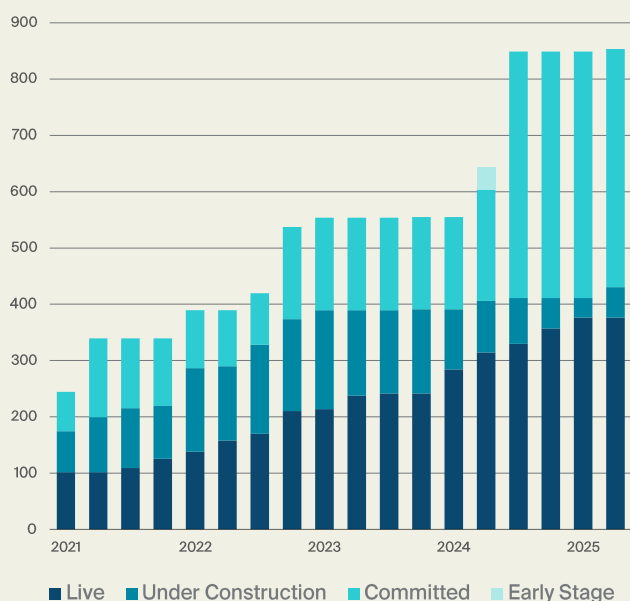
Electricity Price,
USD per kWh

SUPPLY

In 2025, the UAE saw 19.2MW of new capacity come online, bringing live IT capacity to 376.4MW. Expansion is set to accelerate, anchored by sovereign AI initiatives and hyperscale investment. Government demand is a key driver. Abu Dhabi launched its Government Digital Strategy 2025-2027, a \$13 billion program mandating sovereign cloud adoption, service digitisation, and AI deployment across 200+ government solutions. Leading telecom provider du launched the National Hypercloud, powered by Oracle Alloy, positioning itself as a sovereign cloud provider to public and private organisations.

UAE will gain access to advanced AI chips and support a 5GW AI campus in Abu Dhabi, designed to host US-operated cloud providers. Microsoft and du announced a \$544m hyperscale facility. OpenAI has named the UAE as a site for its global “Stargate” platform, with a 1GW cluster in Abu Dhabi scheduled to go live in 2026. Connectivity resilience has become a strategic priority. Du’s PEACE Gulf Extension is targeting H2 2026 service, following repair work after a Red Sea cable outage in March 2025. Meanwhile, e&, the UAE’s largest telecom operator, expanded its Fujairah SmartHub by 1.5MW, bringing capacity to 4MW.

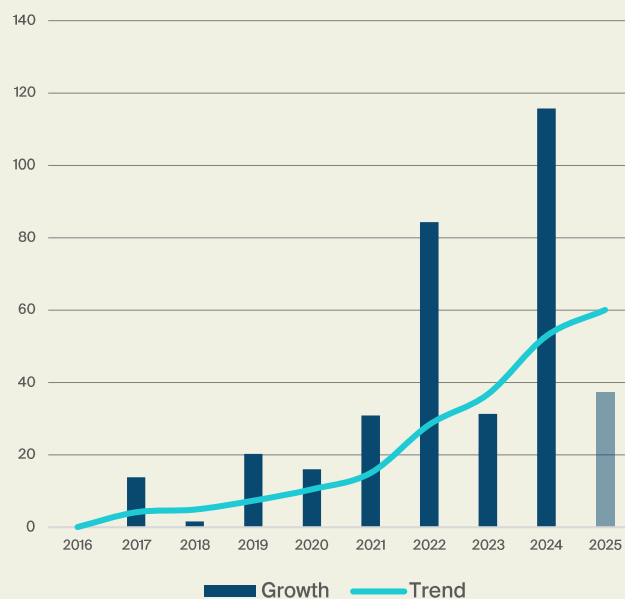
Supply



TAKE-UP

While no new leasing transactions have been recorded over the past three quarters, the market continues to demonstrate strong momentum, with 126.8MW of deals signed in the later half of 2024. 19.2MW of capacity has already been delivered in 2025, the majority of which was pre-leased prior to completion, a clear sign of sustained occupier confidence and demand. With UAE vacancy standing at just 2.4%, supply remains tight. Looking ahead, the outlook is supported by the fact that 60.5% of stock currently under construction is already pre-let, while 68.3% of the committed pipeline has tenants secured.

Live Supply Growth



LEADING OPERATORS

Khazna Data Centers is by far the largest operator in the UAE, accounting for 65% of the market’s live capacity. In terms of construction projects, Gulf Data Hub leads with 59%, while the remaining 41% is split among Khazna Data Centers, du, Equinix, and Moro Hub. Looking at long-term development, Khazna Data Centers and Gulf Data Hub together control 72% of planned capacity, with the next 24% driven by du, Pure Data Centres, and Amazon Web Services.

Johannesburg

► 15.1m

Population

► 76%

Internet Users

► 7.00%

Interest Rate

► \$0.102

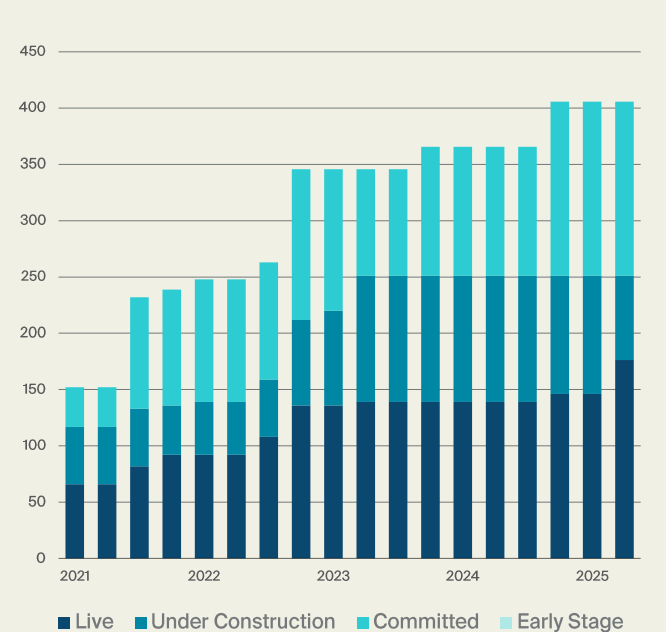
Electricity Price,
USD per kWh

SUPPLY

Johannesburg’s data centre market entered 2025 with aggregate supply reaching 405.7MW, driven by a wave of new completions concentrated in Isando, Bredell, Waterfall, and Germiston. Teraco reinforced its market leadership with new capacity at JB4 in Bredell and JB5 in Isando, adding 80MW to their portfolio. Phase I of Equinix’s JN1 campus went live at the tail end of 2024, marking its South African debut. Vantage Data Centers advanced Phase II of its 80MW Waterfall campus through a 50:50 joint venture with Attacq.

Institutional and corporate investors continued to deepen their commitments to Johannesburg in early 2025. Microsoft pledged an additional \$300 million to expand its South African cloud and AI footprint, building on more than \$1.1 billion invested in the past three years. Visa commissioned its first-party Johannesburg facility with a \$56.9 million investment, targeting payment reliability, reducing latency, and supporting regulatory compliance. Africa Data Centres has partnered with Nvidia to deliver AI-ready infrastructure worth an estimated \$700 million.

Supply

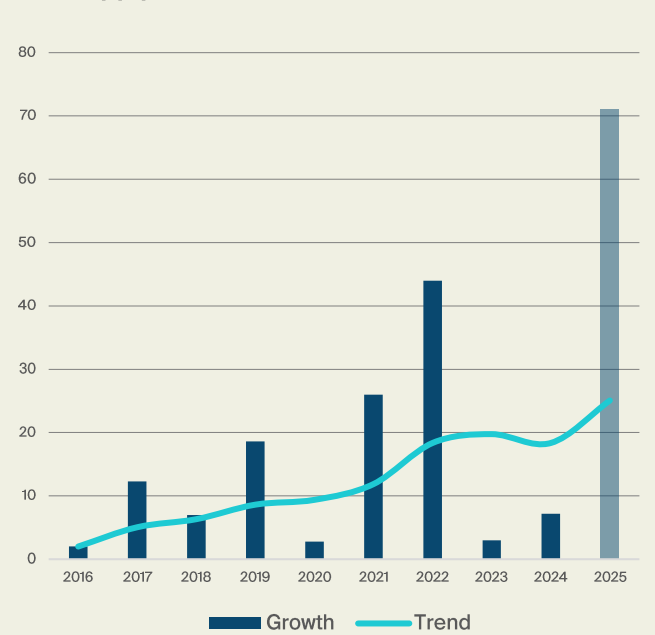


TAKE-UP

After a subdued second half of 2024, leasing activity in Johannesburg picked up in 2025, reaching 33MW, the majority of which was recorded in the second quarter.

Vacancy has tightened further, now at 2.9%, with only 8MW of capacity currently available. However, none of this space is suitable for accommodating hyperscale-scale requirements. Looking ahead, the development pipeline is already heavily committed, with more than three-quarters of capacity under construction pre-let.

Live Supply Growth



LEADING OPERATORS

Teraco remains the dominant operator in Johannesburg, accounting for 58% of the market’s live capacity. It also controls 41% of the capacity currently under construction and 16% of the future pipeline. Africa Data Centres and Vantage Data Centers are the next largest players, together representing 23% of live supply and 53% of capacity under construction. Vantage also holds the largest share of future pipeline capacity at 25%.

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.



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