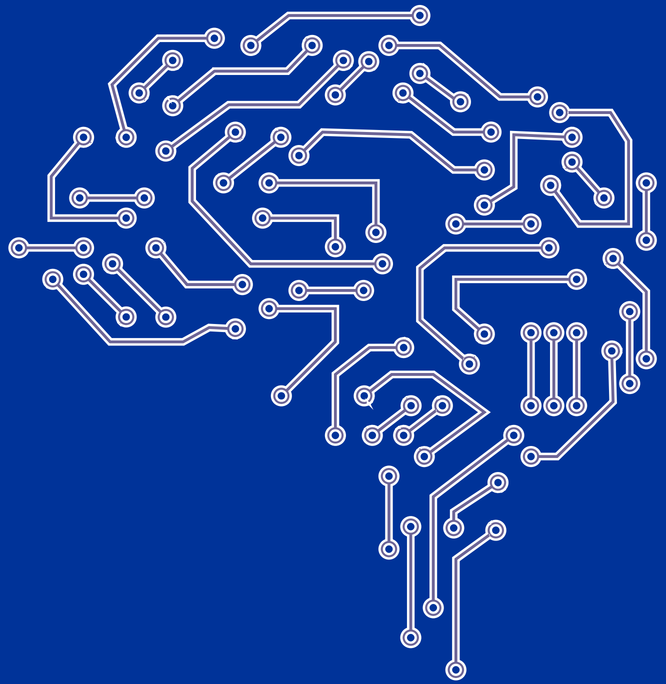
DEMOCRATIC REPUBLIC OF CONGO DATA CENTER MARKET BRIEFING



A strategic overview of the data center investment opportunity in the Democratic Republic of Congo (DRC)

A Xalam Analytics Country Report

July 2025

DATA
GOVERNANCE
IN AFRICA

This report is part of a series of market briefs developed by Xalam Analytics at the behest of Digital Investment Facility (DIF) under the Data Governance in Africa Initiative, on the data center market opportunity in sub-Saharan Africa ("SSA"). This analysis aims to provide key insights into market demand and supply patterns for data center markets, business landscape, regulatory impact and investment returns. The research aims to provide potential investors and stakeholders with the latest information on the data center market in the SSA region.

This country review is based on our assessment of information and data as available to our research. It is further underpinned by our understanding of the marketplace along with market data and insights collected through continuous research. The numbers and estimates in this report are derived from a mix of sources, including estimates from Xalam Analytics' economic models, data providers, regulator data and other sources as may be indicated.

This report is prepared with funds from the Data Governance in Africa Initiative, a project financed by the European Union, Germany, Belgium, Estonia, Finland and France under the Digital for Development (D4D) Hub. Its contents are the sole responsibility of Xalam Analytics and do not necessarily reflect the views of the funders.

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The DRC data center investment case

An opportunity to build foundational hosting and cloud infrastructure in a historically constrained, high-potential market

THE OPPORTUNITY

- **The DRC is the fourth most populated country in Africa** - ~+100m population, and the 10th largest economy in SSA.
- **Solid market upside**; an otherwise dynamic telecoms market has been historically been constrained by limited data center supply and a quasi-monopoly in subsea cable.
- **Accelerated digital infrastructure build** as the DRC seeks to catch up to regional peers; new subsea cables, more competitive terrestrial fiber environment.
- **Increasingly dynamic Internet market**, broadband penetration set to nearly double over the next five years.
- **Largely dollarized economy,** though the FX risk is persistent.

CHALLENGES & RISKS

- **Power supply remains a challenge,** in a market still largely dependent on state-owned utility SNEL.
- **Some demand size risk,** with slow enterprise digital transformation, limited international player deployments.
- **Some geopolitical uncertainty,** with intermittent armed conflict on the Eastern border.
- **The country's considerable size makes it difficult to serve adequately;** focus is on some core urban centers – Kinshasa, Lubumbashi.
- Persistent FX risk.

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DRC data center market overview

Estimates as of 2024

~6-8	Live DC facilities
2.5MW	Live critical IT load (1)
1MW	Capacity in construction (2)
~1MW+	Long term pipeline (3)
~2	Facilities in construction or in pipeline
~40%	Facility occupancy (4)
$4m	Annual Commercial Data Center Revenue
30%	Data center market CAGR (2024-30)

(1)Capacity that is active, under lease or readily available for lease by third-party customers.
(2)IT load capacity from facilities currently in construction; construction has broken ground; ongoing civil works, installation and commissioning phases are in progress.
(3)Facilities explicitly announced or listed as in development. Some execution phases have been initiated (e.g. land control, energy supply commitments, etc.), but no actual civil works have been undertaken. Capacity expected to be available by the end of 2030.
(4) Percent of available capacity that is effectively being used by third party customers.
Sources: Xalam Analytics estimates, provider data

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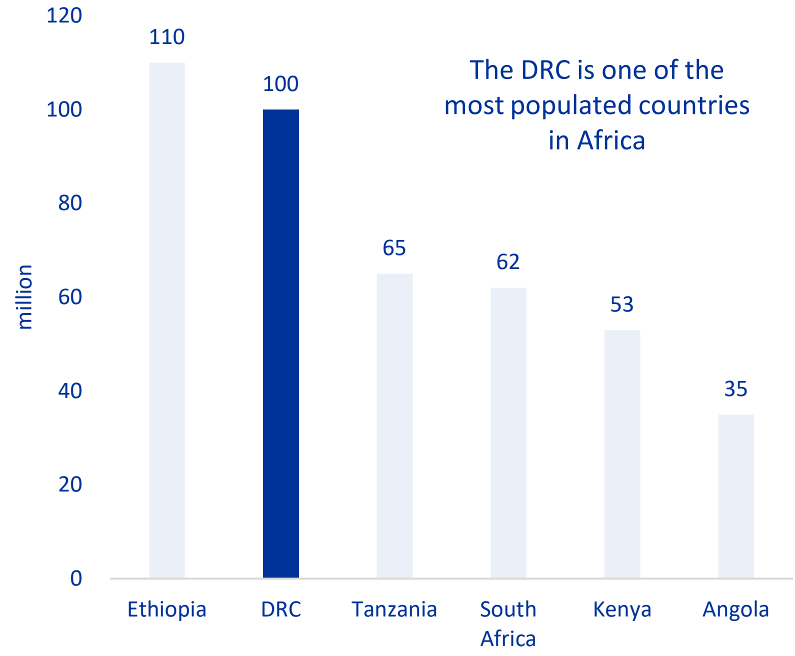
Key drivers of demand for data centers

The DRC boasts considerable upside: a 100m-people market in early stages of digital services adoption

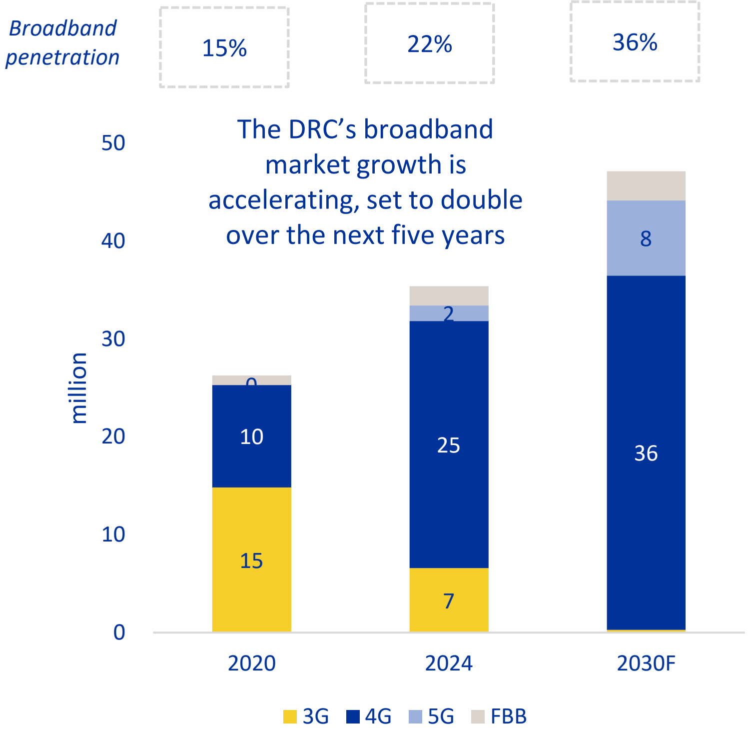
Considerable demographic scale
DRC population vs. peer markets - million



A fast-growing economy with strong inflationary pressures
Sample DRC economic indicators - 2024

~$75bn GDP	**5%** Real GDP growth
22% Broadband penetration	**18%** Annual inflation

A growing digital customer base
- DRC broadband connections by type - million



Sources: IMF, BCC, Country statistics offices, provider data, Xalam Analytics estimates

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Data center market conditions

Long a critical hurdle to private sector investment, the DRC's operating environment is getting increasingly favorable to data center build

Data privacy, hosting & investment incentives

- No explicit data privacy law; 2020 telecoms law remains the overarching framework for the entire ICT sector.
- 2023 digital code further sets broad framework for management of personal data; no explicit localization requirements.
- Up to five-year exemption from corporate tax and a variety of VAT and customs duty exemptions.
- Development of special economic zones.
- ICT, green energy are priority sectors.

Electricity Markets

- The market is still largely dependent on state-owned utility SNEL.
- Segments of the market have been liberalized since 2014; moderate IPP presence at generation level - ~10%+ of power generation comes from IPPs.
- The DRC has a power generation capacity around 2.8GW, ~95%+ from hydro sources; the DRC is still highly dependent on power imports; ~$200m a year importing capacity from neighboring countries.
- The government has ambitious plans to build 9 plants that would add another 2.5GW to the power grid; most large projects focused on hydro, limited presence of other renewables.

Fiber markets

- The DRC is in the midst of a substantial infrastructure buildout as the government seeks to increase Internet adoption and catch up with its neighbors.
- Moderate fiber diversity, high costs - the DRC had one subsea cable landing point as of late 2024 – WACS in Moanda, managed by SCPT.
- 2Africa landed in September 2023; the landing point will be managed by a consortium of mobile operators Airtel and Orange.
- Equiano cables expected over the long-term to increase diversity and capacity supply.
- The terrestrial fiber market is largely open to alternative provider licensing.
- A host of pan-African carriers offering long-haul capacity, including Liquid Tech, Paratus.

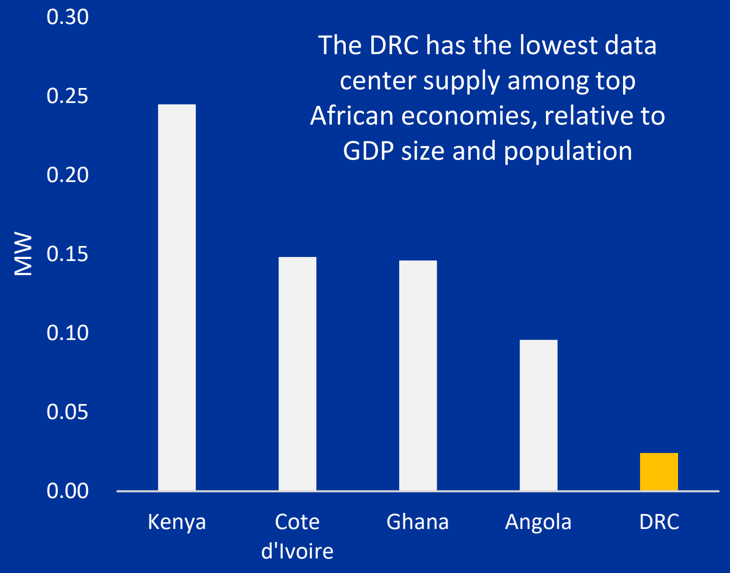
State of data center supply

The DRC's commercial capacity growth has long been subdued, but has recently accelerated with new, larger-scale data center facilities

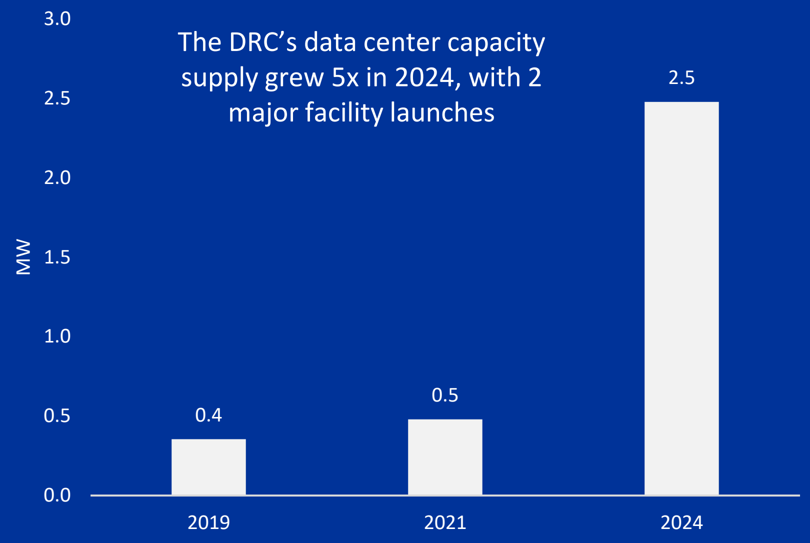
DRC data center supply – 2024E
Sample market indicators (1)

~6-8 Live commercial DC facilities	**~2.5MW** Live IT load
4MW Potential/Full-build IT load (2)	**~80%** % of supply that is carrier-neutral

DRC vs. SSA peers
Critical IT load – MW per million population



DRC data center – evolution of live supply
Critical IT load - in MW



(1)Numbers are rounded up (2) Potential/Full-build load is facility capacity assuming that all phases of development have been completed. Additional CapEx would be needed to make the residual capacity operational.
Sources: Xalam Analytics estimates, provider data

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DRC facility mapping – Kinshasa metro

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Key data center market players

A historically competitive and diverse marketplace – but more data center specialists are entering the market

The Infracos

Providers with extensive fiber assets, interconnecting DRC to the region

The Data Center Specialists

Carrier-neutral data center colocation pure plays

MSPs and System Integrators

A diverse MSP segment offering a mix of connectivity and hybrid IT services

The MNOs

Primarily focused on mobility and connectivity - colocation is an adjacent opportunity.

An increasingly competitive market

- Specialist facilities have become dominant in the DRC.
- Around 80% of the country's critical IT load capacity is managed by specialist or carrier-neutral types.
- At least 1 carrier-neutral facility in the pipeline and potentially more as new subsea cables land on the DRC's coastline.

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GLOSSARY & KEY DEFINITIONS

Key definitions

Data center	While there are a variety of definitions for data centers, this market review is focused on commercial facilities , that is, facilities that lease colocation white space and power capacity to third-party customers on open, commercial terms, and in exchange for a fee. Captive facilities (bank data centers, telco switch sites and similar) are excluded from this assessment. Estimates focus on facilities at Tier II standard and above, unless otherwise indicated. Where applicable, these estimates include cloud hyperscaler self-built facilities.
Live critical IT load	Capacity that is active, under lease or readily available for lease.
Full build capacity	Data center facilities are typically built in phases; the full-build capacity is capacity assuming all potential phases of build have been completed and are live.
Capacity in construction	Facilities that have broken ground; ongoing civil works, installation and commissioning phases.
Pipeline	Facilities explicitly announced or listed as in development. Some execution phases have been initiated (e.g. land acquisition, power supply commitments, etc.), but no actual civil works have been undertaken.
Carrier-neutral	Facilities not specifically affiliated to a connectivity or cloud vendor, with capacity available to all third-party customers, on equal commercial terms, without explicit or implicit constraints or favoritism. This market review uses a loose definition for carrier-neutral, referring to facilities that are purely carrier-neutral, recognized by the market or effectively managed as such.

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Glossary

Below are some of the key abbreviations used in this report

AI	Artificial Intelligence
ASN	Autonomous System Number
bn	billion
CAGR	Compound Annual Growth Rate
CapEx	Capital Expenditures
CDN	Content Delivery Network
Colo	Colocation
DC	Data Center
DIF	Digital Investment Facility
EAC	East African Community
EU	European Union
F	Forecast
FBB	Fixed Broadband
FDI	Foreign Direct Investment
FX	Foreign Exchange
GDP	Gross Domestic Product
GDPR	General Data Protection Regulation
ICT	Information, Communications and Technology
ISP	Internet Service Provider
IPP	Independent Power Producer
IT	Information Technology

kW	Kilowatt
kWh	Kilowatt Hour
LLM	Large Language Models
m	million
MNC	Multinational Corporation
MNO	Mobile Network Operator
MRR	Monthly Recurring Revenue
MSP	Managed Service Provider
MW	Megawatts
NDC	National Data Center
OEM	Original Equipment Manufacturer
POP	Point of Presence
PUE	Power Usage Effectiveness
RFS	Ready For Service
SEZ	Special Economic Zone
SSA	Sub-Saharan Africa
USD	US dollar
PUE	Power Usage Effectiveness
RFS	Ready For Service
SSA	Sub-Saharan Africa
YE	Year end

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