

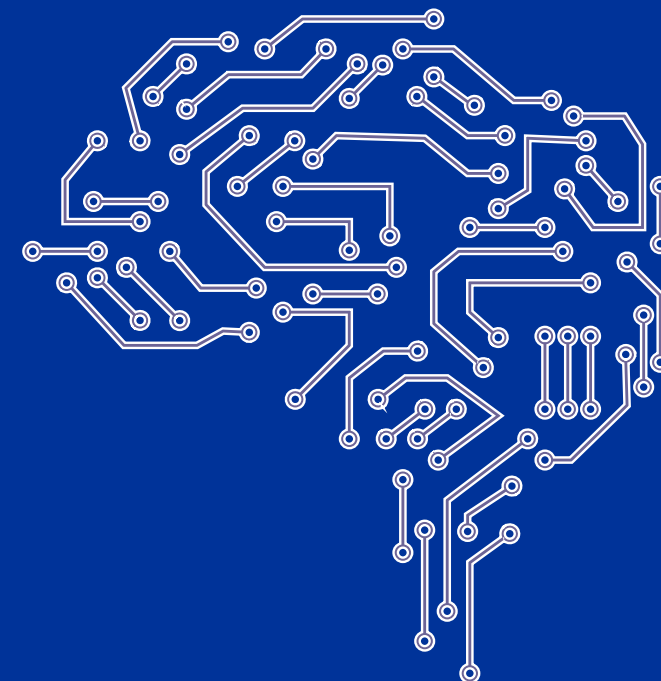
SENEGAL

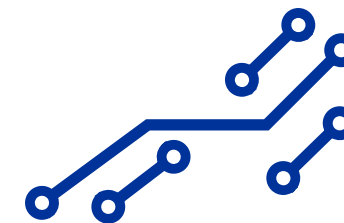
DATA CENTER MARKET BRIEFING

A strategic overview of the data center
investment opportunity in Senegal

A Xalam Analytics Country Report

July 2025



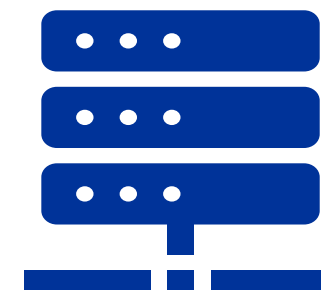


This report is part of a series of market briefs developed by Xalam Analytics at the behest of Digital Investment Facility (DIF) under the Data Governance in Africa Initiative, on the data center market opportunity in sub-Saharan Africa (“SSA”). This analysis aims to provide key insights into market 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 Senegal data center investment case

An opportunity to expand hosting and cloud infrastructure in one of sub-Saharan Africa's most mature broadband Internet markets



THE OPPORTUNITY

- **Senegal has the second largest economy in the French-speaking ECOWAS region**, with stable institutions and regulation.
- **Relatively robust economy**: recent GDP growth has consistently averaged 6%-8%, controlled inflation.
- **Extensive government push for digital strategy** and use of cloud services.
- **Increasingly favorable power conditions**; ~30%+ from renewables, primarily hydro; Robust IPP presence.
- **A developed and diverse fiber infrastructure**, with a diversity of international fiber routes.

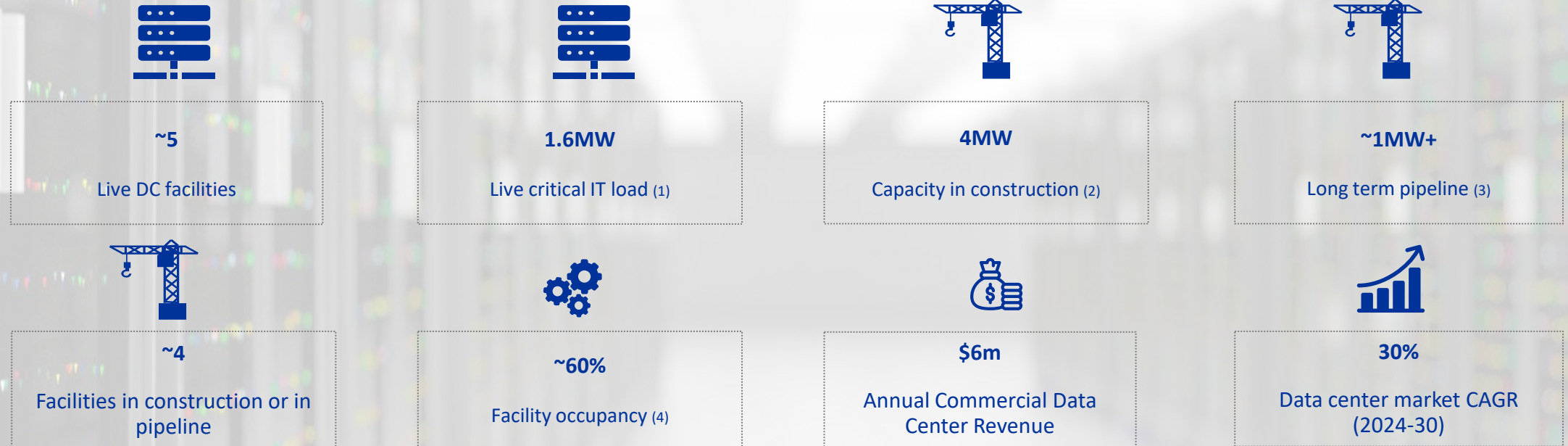


CHALLENGES & RISKS

- **A market with relatively small demand scale.**
- Senegal has a moderately high cost of power.
- Senegal's wholesale fiber market is highly concentrated.
- Some overbuild and demand size risk, due to small enterprise base, slow enterprise digital transformation, limited international player deployments.

Senegal data center market overview

Estimates as of 2024



(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.

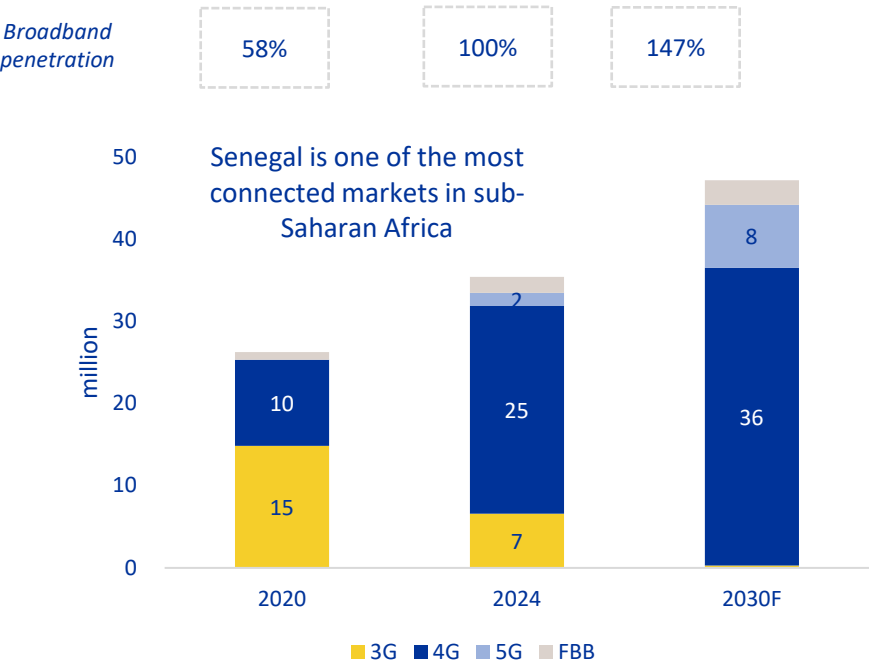
Sources: Xalam Analytics estimates, provider data

Key drivers of demand for data centers

Senegal is endowed with good institutional stability, solid macro fundamentals, and one of the most mature broadband markets in sub-Saharan Africa

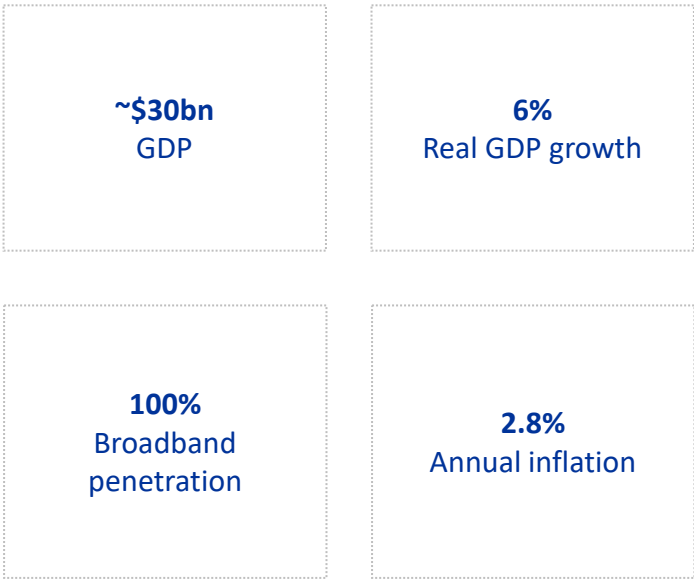
A growing digital customer base

Senegal broadband connections by type - million



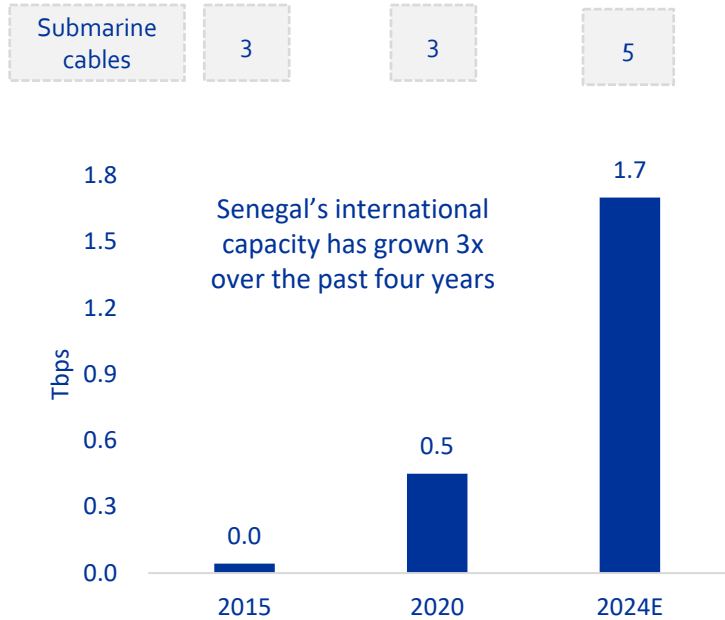
A fast-growing economy, with moderate inflation

Sample Senegal economic indicators - 2024



Accelerated digital infrastructure build

Senegal international capacity usage - Tbps



Sources: IMF, ANSD, ARTP and provider data, Xalam Analytics estimates

Data center market conditions

The Senegalese government's "Technology New Deal" has set the foundations for a more favorable operating environment for digital infrastructure assets

Data privacy, hosting & investment incentives



- Senegal was one of the first African markets to enact a data Protection Law (2008).
- Regulations require public sector data to be hosted in Senegal.
- The government has outlined a Technology New Deal, part of Senegal's 2050 national Transformation Agenda; aims to become an African digital leader by 2034, with digital economy contributing around 15% of GDP.
- Key pillars of technology deal include digital infrastructure, skills development, innovation, public sector digitization and digital security.
- Estimated budget for the digital new deal is around \$2bn.

Electricity Markets



- Overall generation capacity of ~1.9GW.
- The power grid is still largely dependent on fossil-based power; Senegal generates ~30%+ of its energy from renewables sources; mostly hydro-based, but expanding solar deployments.
- The country aims to increase the contribution of renewables to ~40% by 2030.
- Strong IPP presence at generation level - ~50%+ of power generation comes from IPPs.
- State-owned Senelec retains monopoly on transmission and distribution.
- Relatively high electricity prices - \$0.22/kWh.

Fiber markets



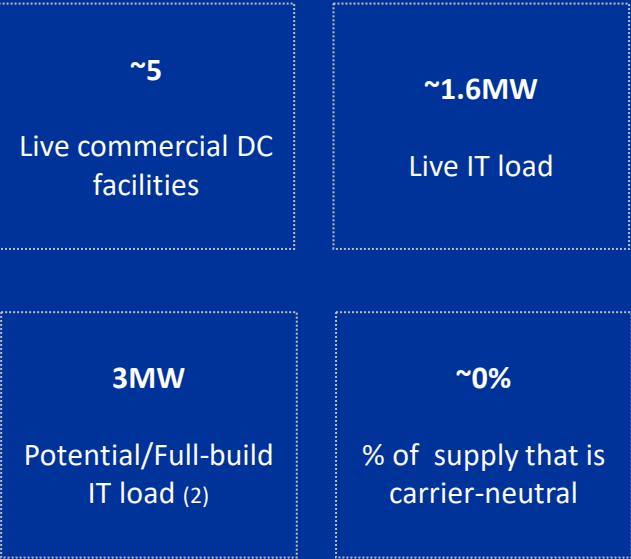
- Senegal has an excellent nationwide fiber transmission infrastructure.
- Excellent broadband infrastructure; 98% 4G coverage, densification of last mile fiber infrastructure.
- 4 submarine cables with at least one more on the way.
- The Senegal retail broadband market is highly concentrated; Orange, Free and Expresso (three largely self-provisioned providers) control 95% of all broadband connections and traffic. The regulator has tried to introduce more competition, with moderate success.

State of data center supply

Senegal’s commercial data center capacity is small, and growth has long been modest; the market is seeing some moderate pickup as new facilities come to market

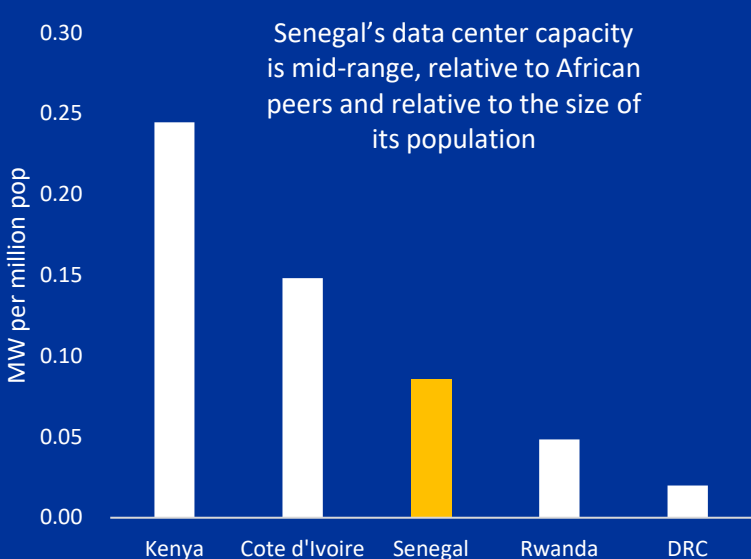
Senegal data center supply – 2024E

Sample market indicators (1)



Senegal vs. SSA peers

Critical IT load – MW per million population



Senegal 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

Senegal facility mapping – Dakar metro



Key data center market players

Senegal has long been a telco and government-dominated data center market; supply is getting more diverse, with carrier-neutral providers set to enter the market

The telcos



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

Government Facilities



State-owned agency focused on public sector compute

Future competition/New entrants



More data center specialists are coming to the market

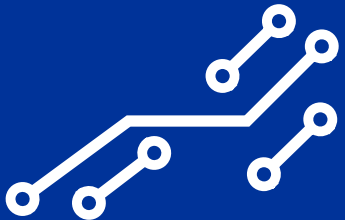
The carrier-neutral are coming



- Senegal is a historically telco-dominated colo market; telco facilities still accounted for ~60% of overall capacity in 2024.
- The weight of government facilities: government agencies are bringing increasing data center capacity to the Senegalese market, including Senegal Numerique (ex-ADIE) and Senegal Connect.
- At least two carrier-neutral facilities in the pipeline and set to transform the nature of this market.



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.

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



Learn more:

<https://d4dhub.eu/initiatives/data-governance-in-africa>

