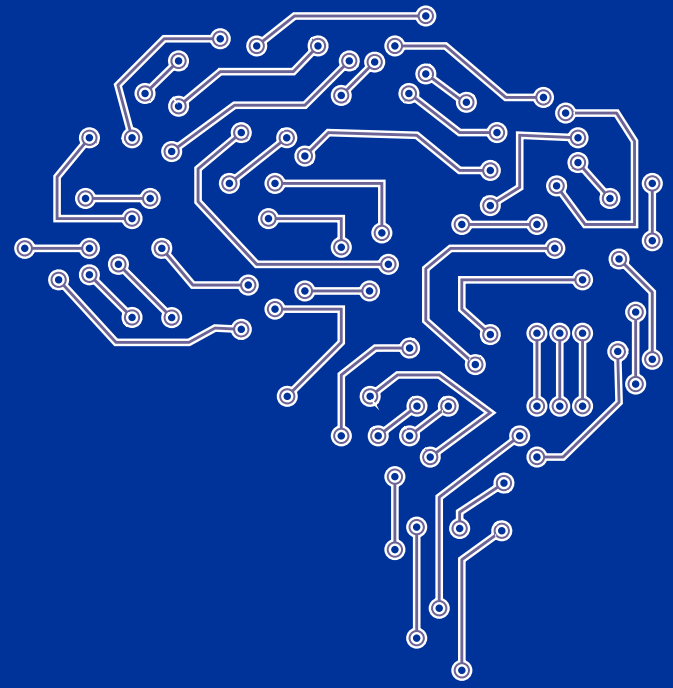
ZIMBABWE
DATA CENTER MARKET BRIEFING

A strategic overview of the data center investment opportunity in Zimbabwe

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 Zimbabwe data center investment case

A digitally-attuned market seeks to accelerate digital transformation in the face of highly challenging economic conditions.

THE OPPORTUNITY

- **The Zimbabwean market has above-average broadband penetration levels.**
- Government has outlined digital transformation as key component of its economic strategy.
- **A dynamic ICT market,** with potentially deep enterprise demand and strong wholesale demand potential.
- Proximity to South Africa provides key trade corridor, synergies with African operations.
- **Increasingly flexible power and fiber markets.**
- Historically strong enterprise and consumer appetite for digital tools provides foundation for cloud adoption.

CHALLENGES & RISKS

- **Highly-constrained power generation environment**; generation capacity is still largely insufficient to meet demand.
- Proximity to South Africa reduces regional/global demand for peering in Zimbabwe.
- **Intermittently hyperinflationary environment**
- Challenging foreign exchange, capital repatriation conditions
- Electricity prices are high - $0.26/kWh.

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Zimbabwe data center market overview

Estimates as of 2024

~6

Live DC facilities

2MW

Live critical IT load (1)

2.5MW

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

26%

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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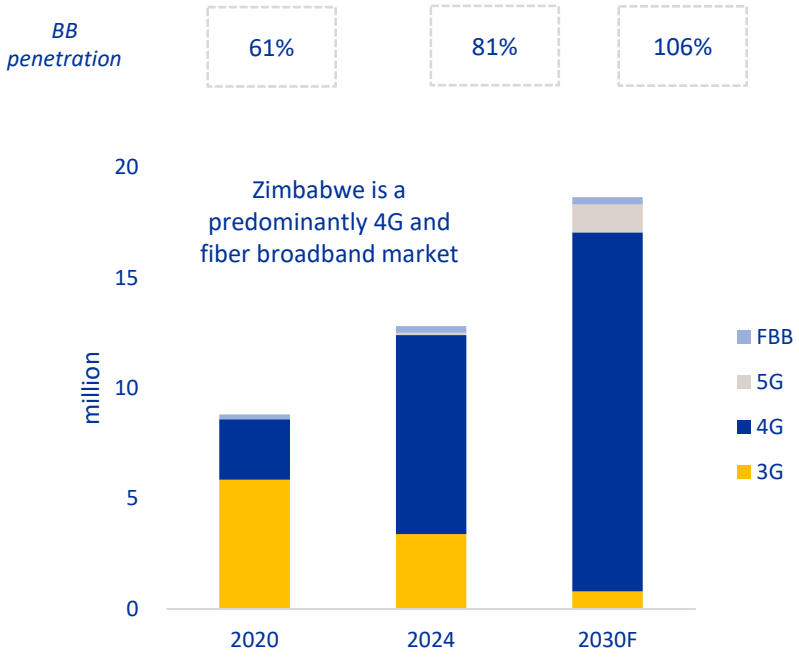
Key drivers of demand for data centers

A market with above-average Internet adoption levels looking to accelerate its digital transformation in the face of a tough, hyperinflationary macro conditions

A growing digital customer base

- Zimbabwe broadband connections by type - million



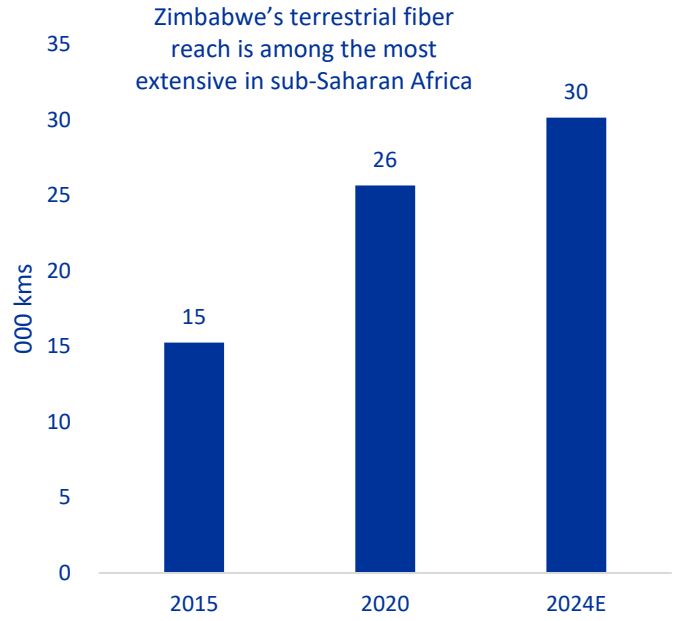
Challenging macro conditions, high Internet penetration

Sample Zimbabwe economic indicators - 2024

~$35bn GDP	**6%** Real GDP growth
81% Broadband penetration	**90%** Annual inflation

Accelerated digital infrastructure build

Zimbabwe terrestrial fiber – 000 kms



Sources: IMF, Potraz and provider data, Xalam Analytics estimates

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Data center market conditions

Zimbabwean market conditions remain highly constrained for data center providers

Fiber Market

- A competitive, but nonetheless concentrated fiber market, with dominant presence from Liquid Telecom and sister companies.
- Rapid expansion of the fiber infrastructure, despite difficult operating conditions.
- A landlocked market, with relatively limited international capacity diversity.
- Wholesale fiber prices are high and remain a significant constraint to deeper fiber adoption.
- A relatively large wholesale data market (by African standards) suggests strong underlying potential; around $50m+ of annual revenue from terrestrial metro, long-haul fiber and international capacity services.

Economy, Data privacy & hosting regulations

- A new currency, the Zimbabwe Gold (ZWG) was introduced in April 2024, pegged against a basket of currency. The ZWG remains highly sensitive to fluctuations.
- Government aims to foster digital innovation, invest more in infrastructure to close the digital divide
- Strong push to migrate disparate government applications to the National Data Centre
- Sector governed by Cyber and data protection Act of 2021
- Transfer of personal data outside of Zimbabwe is allowed in markets with “adequate level of protection.”

Electricity Market

- Zimbabwe has a generation capacity of 2.8GW, but only ~1.7GW of operating capacity available in most years.
- Electricity supply under stress, generally below estimated demand of 1.9GW, leading to intermittent blackouts.
- The power mix is primarily based on geothermal and coal sources; Zimbabwe looking to achieve universal access to electricity by 2030.
- A growing base of independent power producers.
- Electricity prices are relatively high - $0.26/kWh.

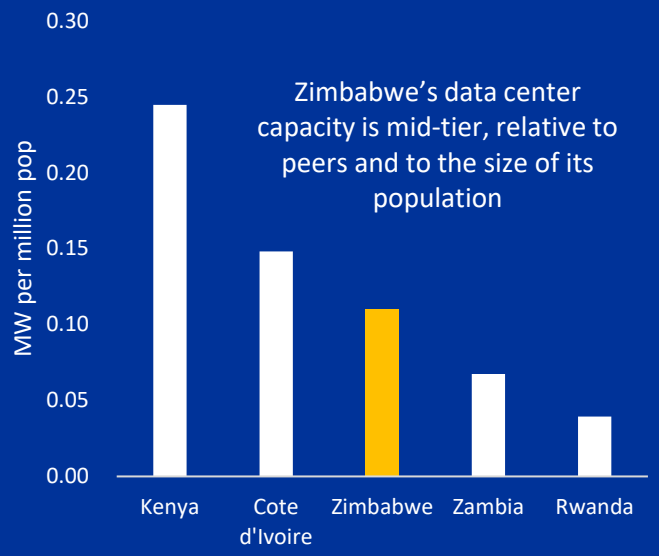
State of data center supply

Zimbabwe's data center capacity is growing fast

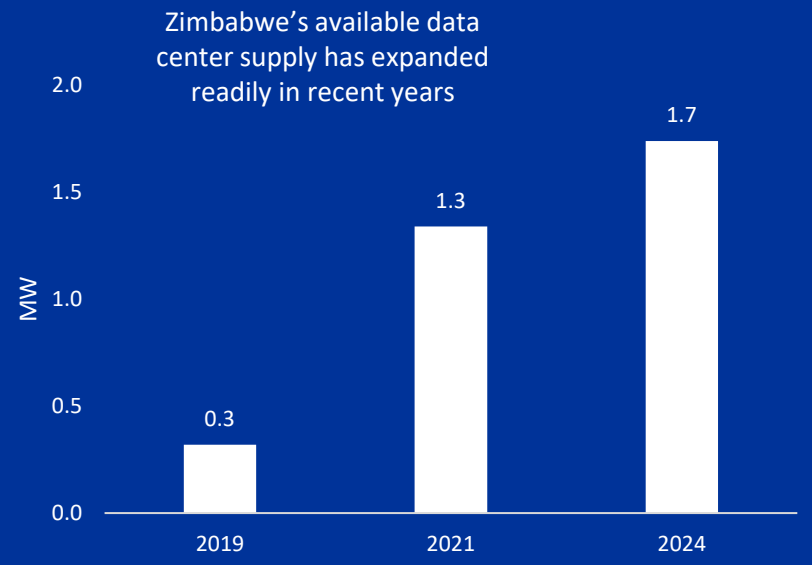
Zimbabwe data center supply – 2024E
Sample market indicators (1)

~6 Live commercial DC facilities	**~2.5MW** Live IT load
1MW Potential/Full-build IT load (2)	**~0%** % of supply that is carrier-neutral

Zimbabwe vs. Sub-Saharan Africa peers
Critical IT load – MW per million population

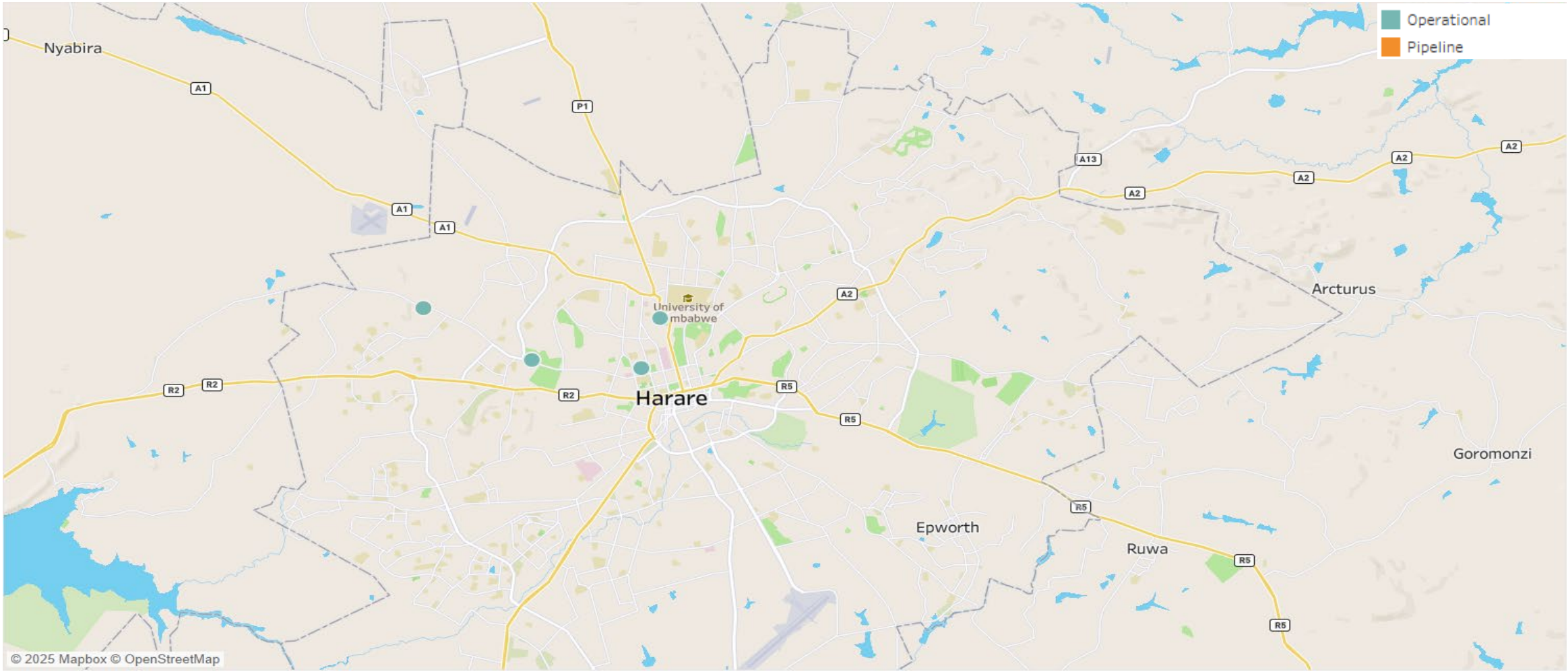


Zimbabwe data center market – evolution of live supply
Critical IT load - in MW



(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

Zimbabwe facility mapping – Harare metro



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Key data center market players

Telcos and fiber infracos dominate the Zimbabwean data center market

Telcos & ISPs

Focused on mobility and fiber - colocation is an adjacent opportunity.

Government

State telco offering a range of IT services, including colocation

Hybrid facilities are the norm

- Telcos and infracos dominate the Zimbabwean data center market, offering colocation services to third parties via hybrid facilities that also serve internal purposes.
- Strong state presence in the data center space, through a Huawei-built national data center and facilities managed by state-owned TelOne.
- Impending arrival of Econet Wireless, the country's largest telco, which will launch what will be Zimbabwe's largest facility based on critical IT load.

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

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DATA
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