



Mr Talal Albakr, CEO, SCCC Alibaba Cloud, Riyadh

Saudi Data Center Market Outlook



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41 articles

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The data center market in Saudi Arabia is expected to grow significantly in the coming years driven by increasing investments in digital infrastructure, government initiatives to promote cloud adoption, and rising demand for colocation and managed services. The market is currently served by a handful of data center operators, with plans for new facilities by major global players.

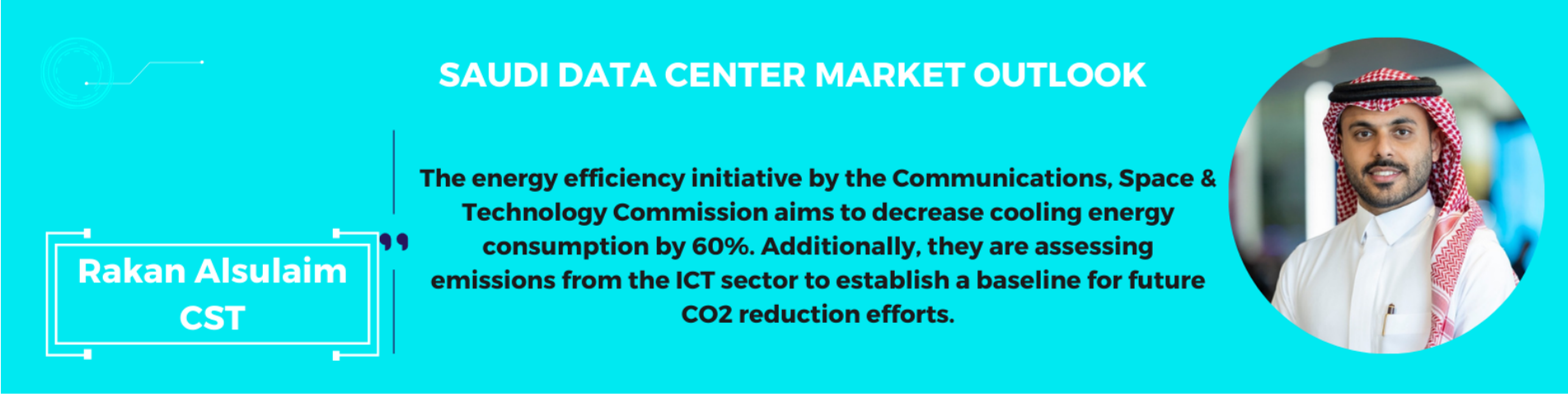
Saudi Arabia announcements at **LEAP 24** of \$11.9bn in investments sent a powerful signal about a huge and ambitious market:

- **Amazon Web Services (AWS)** \$5.3B investment to build a cloud region in KSA.
- **ServiceNow** \$500M investment to launch its first datacenter in the region localising its services in Saudi Arabia in addition to training and upskilling.
- **IBM** \$250M establishing Software Lab in KSA, the first in the region.
- **DataVolt** \$5B investment to build sustainable Data Center with a capacity of +300MW as key local investors are committed to the build-out of neutral data centers across the country.

I enjoyed meeting prominent digital infrastructure stakeholders in Riyadh and learning about the Saudi data center market. You can find [in this video](#) insights and trends kindly shared by Mr **Talal AlBakr**, CEO **SCCC | Alibaba Cloud** and **Rakan Alsulaim** of **Communications, Space & Technology Commission (CST)** .

Saudi Cloud Computing Company (SCCC), part of Alibaba Cloud region, was formed through a consortium of **stc** Group, Alibaba Cloud, eWTP Arabia Capital, Saudi Company for Artificial Intelligence (SCAI), and the Saudi Information Technology Company (SITE).

Mr Albakr captured a large market share in the last 1.5 years and is trying to differentiate SCCC Alibaba from traditional hyperscalers. He believes its an exciting time for the data center industry. A lot of innovation and growth as the market continues to evolve round AI and other technologies to do with IoT and cloud platforms. He **advises** that SCCC is building AI models with view to start training them at scale in the near future. He also welcomes AI workloads to utilise his cloud GPU capabilities in Saudi instead of going outside. Currently his cloud clients are a mix of government, private sector, start ups, incubators, fintech. He sees that pool narrowing as they refine more verticalized solutions to address specific needs. On AI enabled data centers, they are exploring innovating the concept to make it net zero. On sustainability, Mr Albakr believes if he can do good for the environment, be net neutral, build a future for his grandchildren and country and reduce his costs, is a win win. He advises that PIF are pushing all companies to be ESG cautious.



Mr Rakan Alsulaim, Strategy Team Lead, Communications, Space & Technology Commission (CST)

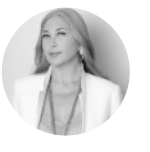
Rakan Alsulaim, Strategy Team Lead at Communications, Space & Technology Commission (CST) **shared** the regulator view on sustainability, its commitment to ESG and some notable updates:

- Their ewaste initiative recycled over 100k electronic equipment worth SR30M.
- CST energy efficiency initiative is working on reducing the use of energy in cooling by 60%.
- Huawei will measure ICT sector carbon emissions as a baseline that they will then try to reduce.

Please check the [video here](#). Thank you.



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#saudiarabia recent announcement at **LEAP 24** of \$11.9bn in tech investments speaks volumes about the country's ambitious and vast market. It was a pleasure to meet with prominent stakeholders in **#riyadh** and gain a macro outlook on the Saudi **#datacenter** market. This was based on a series of **#leaders #interviews** planned for this year, starting with Messrs **Talal AlBakr**, CEO of **SCCC | Alibaba Cloud** and **Rakan Alsulaim** of **Communications, Space & Technology Commission (CST)** who shed light on an exciting market that is experiencing fast growth and with **#sustainability** at the forefront.





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