

Portugal to become data centre hub connecting Europe, Americas and Africa

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Start Campus, a joint venture of Davidson Kempner Capital Management and Pioneer Point Partners, has announced an investment of €3.5 billion to develop the Sines 4.0 hyperscaler data centre, located in Portugal's Alentejo region, to connect Europe with the Americas and Africa.

Claimed to be the largest renewable data centre campus in Europe with up to 450MW of capacity, Sines 4.0 will create 1,200 jobs and is designed to seamlessly handle ever-growing demand for streaming services, video conferencing, cloud computing, artificial intelligence and data storage, according to the project's backers.

Sines was chosen as the location for the new facility primarily due to its easy access to competitive renewable energy including solar, wind, hydro and (in the future) hydrogen, as well as its connectivity to the national power grid. Other benefits cited by Start Campus include scalability via land options, as well as cooling that is low-cost, high-efficiency and environmentally-friendly via existing facilities using ocean water, to keep servers at optimal temperatures. The project will also leverage Sines and Portugal's strategic geographical position at the edge of Europe.

Sines 4.0 was developed in partnership with AICEP (Portugal's trade and investment agency), the municipality of Sines and the Portuguese government.

"This is a digital transition project opening up opportunities through data centres and the data economy on into the 21st century", said Eurico Brillhante Dias, Secretary of State for Internationalization. "At the same time, it is an energy transition project, because investors are increasingly looking for locations that can be supplied with renewable energy".

Intended to be used to manage ever-increasing data processing needs, hyperscaler data centres like Sines 4.0 are built to accommodate the stringent specifications required by large companies like world's largest technology companies.

"The availability of local green energy at competitive prices, combined with geographical proximity to three continents, and fast connection through new high-speed submarine cables, make Sines an ideal location", added Sam Abboud, Founding Partner at Pioneer Point Partners.

In March the project was granted Project of National Interest (PIN) status, designed to streamline and expedite the licensing process. Full licensing is expected by the end of the year. Other benefits of PIN status include tax benefits for companies that develop significant investment projects.

Source: Start Campus / Jornal de Negocios