

China Datacentre Growth has Challenges but Cloud Fuels Massive Construction

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Shanghai – 6 November 2012 – International consulting group, BroadGroup, BroadGroup (<http://www.broad-group.com/>) launched the early findings of a new study at their first regional datacenter conference which was held in Shanghai last week. The study highlights China's extraordinary development in the datacenter sector and found that more than 17 provinces and municipalities were constructing 30 large-scale cloud datacenters across the country with an investment of almost USD44 billion.

"Social networking, gaming, online transactions and mobile data as well as the objectives of the 12th 5-year plan unique to China, are collectively driving growth in the requirement for datacenter storage and capacity," said Philip Low, managing director of BroadGroup. "The opportunity for vertical clouds, although in its early stages is recognised as a way to drive further economic growth."

BroadGroup's China datacentre conference brought together the leadership of many of the key players in the sector to discuss the challenges and the opportunities of the current market.

Keynoting the conference, Jean-Pascal Tricoire, president and CEO of Schneider Electric, presented a vision of how datacenter growth globally can be matched with energy efficiency. Power and cooling is a critical challenge for China with demand estimated to be from 1.5% to 5% of total energy consumption in the country.

Addressing a packed audience, Terry Graham, research associate for BroadGroup and Hong Kong University, said: "The challenges related to the licensing regime are unlikely to change in the immediate future. In addition, the ability to raise funding to expand, complexity in the procurement of energy and bandwidth and access to power is particularly challenging."

The event also recognised the achievements gained so far by local companies. Datacentre Entrepreneur of the Year Award was given to Madam Zhou Chaonan () president of Range International, who is leading one of the largest cloud development projects in China. Mr William Huang, () CEO of GDS accepted the Datacentre and Cloud Services Award, and Steve Hui CEO of PowerAllNetworks, was awarded the Datacentre Energy Efficiency Award. The Awards were presented by Guest of Honour Presenter Mr Zheng Hong () Secretary General of Data Center Industry Alliance of China.

Despite these hurdles, the conference confirmed that China remains globally the most important market and datacenter and cloud evolution figure as major contributors to economic growth in the country.

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