



# Global data centre market confident about AI fuelled growth, despite concerns about power supply



Magnus Løvlien Lutnæs  
Partner, Head of Real Estate  
(Norway)

Our latest report, *Navigating Global Growth in Data Centres: Riding the AI Wave*, highlights the significant growth expected in the global data centre market, fuelled by the increasing demand for AI technologies such as machine learning and natural language processing.

According to the report, 70% of data centre investors and operators predict increased investment in the sector within the next two years. Almost all respondents also foresee AI driving demand for data centres, primarily through machine learning and natural language processing.

## **The Nordic Advantage**

While traditionally important data centre regions like the US and Western Europe continue to dominate, the Nordics are emerging as an attractive alternative. The cooler, wetter climate in Nordic countries helps achieve better Power Usage Effectiveness (PUE) and lower cooling costs, giving the region an edge for AI developments. Furthermore, the Nordics offer competitive energy prices, high stability in the power grid, and access to renewable energy sources like hydropower, which contributes to a lower carbon footprint.

Connectivity and latency, while critical for some AI applications, are less of a concern for many large language models and other AI solutions. Moreover, the Nordics have seen improvements in connectivity, making the

region increasingly viable for AI-driven data centre investments.

**Magnus Lutnæs**, partner at DLA Piper in Norway, commented: “The Nordics have long been a logical home for capacity given their green power and low total cost of ownership. We expect the region to attract some of the larger deployments we’re seeing in North America now.”

**Key findings:**

- Generative AI is expected to drive significant growth in the sector in the coming years, with increased investment.
- 70% of data centre investors and operators predict increased investment in data centres in the next two years.
- 98% of respondents are concerned about energy supply when making decisions on data centre projects.
- In the US, utility companies are demanding non-refundable, upfront payments to connect data centre sites.
- The Nordics offer a compelling advantage for AI-driven data centre development due to low cooling costs, renewable energy, and stable power grids, making it an attractive alternative for investment.

Download the report [here](#).

---

Services

Fast eiendom

---