Thierry Chamayou and Lina Tayara

The energy crisis is accelerating electrification

Lina Tayara
Managing Editor @ Lets Talk Tech | Experienced PD, Marketing Communications
41 articles

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Thierry Chamayou, Vice President Cloud & Service Providers EMEA, Schneider Electric , gave a keynote at Platform Markets Group Antibes on Electricity 4.0 for Data Centers.

He spoke on how few, 12%, are delivering on their emission targets, the fastest path to Net Zero, and Electricity 4.0 to deliver 3x acceleration.

Timely topics as the new EU energy efficiency directive mandates owners and operators of data centers bigger than 500KW to publish their energy consumption figures from May 2024. The aim of the EU Green Deal goal being to have a 55% reduction in CO2 emissions by 2030.

Subsequent to my interview with Microsoft and Schneider Electric, both announced joining forces with Google and Danfoss to create the Net Zero Innovation Hub for data centers in Denmark.

Alignment between green and digital agendas

Mr Chamayou summed up the situation. "Data centers must manage energy transition while delivering unprecedented demand":

- Data growth: +180ZB of global data creation up to 2025.
- Digitalization: 69% of company boards accelerated digitization post covid-19
- IoT & 5G: 75bn+ IoT enabled devices by 2025
- Data center capacity: in excess of x2 GW from 2020 to 2040

Data centers are growing irrespective of AI

With the demand for Generative AI triggering demand for high performance computing and $39bn reportedly spent on data center infrastructure in 2023 driven by AI systems, I asked if we are moving from a cloud era to an AI era, *will enterprise spend be directed away from cloud services?*

Mr Chamayou noted "the reports that we see indicate the data center business is growing massively, you don't need AI to grow. Whether it will happen is irrelevant. So it's a decision on whether its something you want to go for or let it happen at the edge first then get it to somewhere else [that is as of yet unknown]. It may become part of the normal data center business that we see."

AI will happen at the edge

> The best equipped vehicle is what lies at the edge

Mr Chamayou doesn't think the first moves we will see on AI will be as structured as the DCS business because "historically we have been building and growing the data center business from local to regional to massive data center in colocation. We had the time to build it up. On the AI it could be a lot of rough and dirty data that we have to cope with."

He clarified that [rough] refers to the huge amount coming at the same time. "Edge is best equipped because you need to have the data compute closer to where data is being created."

Middle East and Africa markets

With the African continent 1.4 billion people presenting the next frontier for sustainable data centers and the Middle East being one of the most exciting growth stories this year, I asked Mr Chamayou's perspective of the data center market in EMEA over the next 5 years.

> ME&A will grow faster, better and in a way we are not fully aware of yet. What is true in Europe is not yet true in Africa or the Middle East and may never be

"Its wrong to think whats happening in Europe will happen in Africa. One of the key growth elements in Europe is coming from what we can learn in Africa today.

The Middle East brings a different angle because of the nature of the business and how the investment is happening.

In Africa endemic business will happen, its inevitable, because of demography and tech savvy youth."

Paradigm shift in the business model

The old business model of the agriculture and industry days of making money in Africa then taking it out is no longer valid. Most business we do in Africa that creates revenue will stay in the country. We have never taken out from the value created in France or Germany or Spain.

The energy crisis catalysing electrification

Now we are talking about data centers being a pollutant and AI being an inflection point. The ecosystem is mobilising to decarbonise. What will be the industry's issues next year?

"Just as the pandemic was the catalyst for digitisation, the energy crisis will provide the impetus to accelerate electrification."

Repetition is necessary for behaviour change, however Mr Chamayou hopes not to repeat his presentation and that the call to decarbonise is acquired and actioned so by 2024 we can move on, to solve new challenges no doubt.

The video interview is here. Thank you for watching, commenting and sharing.

#edge #energy #crisis #electrification #datacenters #netzero #EU #energyefficiency #energytransition #data #digitalization #iot #5g #digitalinfrastructure #cloudservices #middleeast #Africa #sustainability #trends #insight #interview

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Lina Tayara
Managing Editor @ Lets Talk Tech | Experienced PD, Marketing Communi...
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Thierry Chamayou shares his insights on enterprise spend in the AI era, noting that edge is best equipped for AI. He also highlights that data center growth is not necessarily correlated with AI explosion. He emphasizes the importance of learning from Africa and ME&A trends, which will lead to an inevitable fast growth and a new model for doing business. Mr Chamayou hopes that decarbonization is acquired, so there's no need to repeat his presentation next year! Follow #LetsTalkTech for more tech leaders interviews, insights, and trends.
The interview can be watched here https://lnkd.in/e95pmkVZ
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