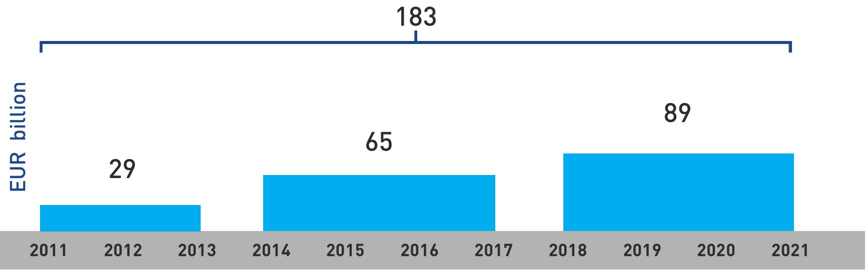
EUROPE

Infrastructure investment report

Internet infrastructure in Europe is relatively mature, but spend continues to grow over time

Total spend by CAPs on internet infrastructure over various periods since 2011

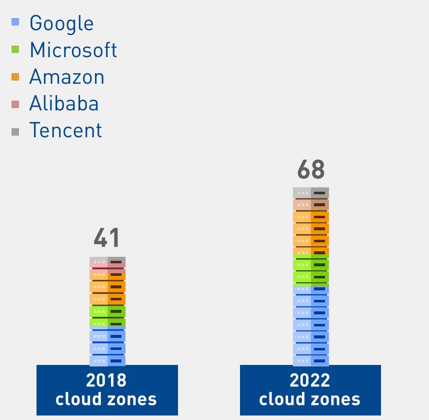
CAP spend on internet infrastructure in Europe reached EUR183 billion between 2011 and 2021



Examples of investment drivers by cluster

HOSTING

Growth in cloud zones for five main cloud providers[1]



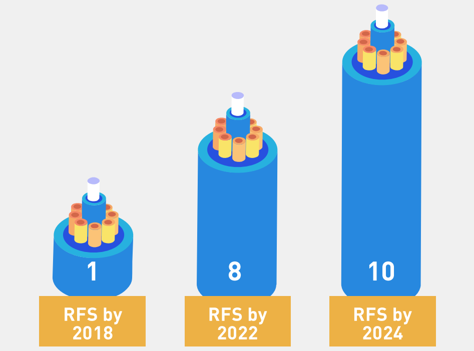
The number of cloud zones for five main cloud providers grew by

66%

between 2018 and 2022

TRANSPORT

Growth in submarine cables with CAP investors that land in the region[2]



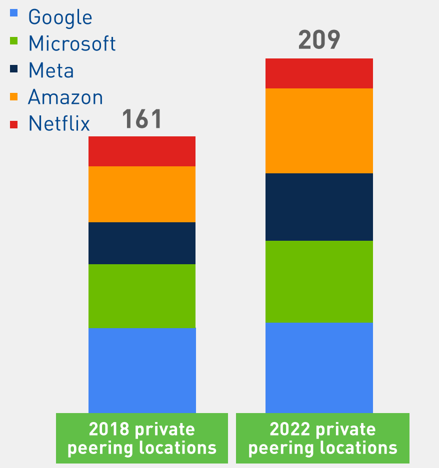
The number of submarine cables with CAP investors that will be ready for service will be

700%

higher in 2022 compared to 2018

DELIVERY

Growth in private peering locations for five main CAPs[3]



The number of private peering locations for five main CAPs grew by

30%

between 2018 and 2022

ISPs can achieve cost savings as a result of investments that CAPs make to bring traffic closer to end users, in two main areas

- CAP investments that enable ISPs to access content at domestic peering locations
- CAP investments to cache content within ISP networks

An estimated **EUR950 million** can be saved by fixed network ISPs in Europe in 2022, as a result of investments made by CAPs

1 Number of cloud availability zones. Sourced from cloud provider websites in mid-2018 and mid-2022.

2 Examples of submarine cables with direct CAP investors. Sourced from TeleGeography Submarine Cable Map in mid-2022. 'RFS' refers to 'ready for service'. Submarine cables frequently connect different regions, and adding the figures presented across regions can result in double counting.

3 Number of private peering locations. Sourced from PeeringDB in mid-2018 and mid-2022. Please note that the growth in traffic at private peering locations is significantly faster than the growth in number of private peering locations.

Note: Regional estimates of investment are derived by splitting global estimates of investment for each cluster into different regions, based on relevant drivers or indicators for each cluster. Please see Annex B in the main report for more details. Estimates of CAP investment and ISP savings were made in USD, and converted at a ratio of 1.1 USD per EUR, for presentation purposes.

For more details please see:

https://www.analysysmason.com/internet-content application-providers-infrastructure-investment-2022

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