



Environment Digest 48

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Data Centres: The New Gold Rush

If you're reading this, the words on your screen have already travelled from a data centre halfway across the world through thousands of kilometres of fibre-optic or undersea cables, in just a fraction of a second. Whether you're streaming a movie, using cloud storage or chatting with AI, your data is being stored, processed and delivered by vast, energy-intensive digital warehouses called data centres. Data centres are the new global currency able to support the economic growth of a state. However – they come at a cost. They not only consume vast amounts of resources such as electricity and water, but also require land to build. The following articles highlight some of the challenges involved in investing in and building data centres.

South Africa wants to capitalise on the AI boom. Can it spare the water needed to run thirsty data centres?

"Asking an AI chatbot to fix an email, generate an image, or explain your situation in therapy speak can seem to produce instant results. Behind the scenes, though, each query kicks off a physical process. Your request travels to a data centre, essentially a vast building filled with rows of powerful computers that generate heat while processing and storing information; they must be cooled to avoid overheating. Depending on how that cooling is done, the process can consume large quantities of water. It's a conundrum: South Africa wants the investment, jobs and technological capacity associated with the global artificial intelligence boom. It also has very little water to spare. The latest big development in this space suggests that authorities are putting AI ahead of water worries."

<https://tinyurl.com/y2byh3uj>

Two developments coming to Cape Town that require enough electricity to power 130,000 homes

"Two new large data centres are set to be built in Cape Town, covering over 120,000 square meters—approximately the size of 17 full-sized soccer fields placed side by side."

<https://tinyurl.com/yjxkvcca>

South Africa's data centre 'gold rush' risks resource crunch

"Rapid expansion of data centres has helped make South Africa the continent's biggest digital hub, even as critics warn the industry's appetite for electricity and water could worsen shortages affecting millions of people."

<https://tinyurl.com/39kwu8rw>

South Africa needs data centres, but not without transparency

"Hyperscale data centres employ relatively few people once built. If their approvals are not tied to real, enforceable community benefit agreements (local employment and skills, community connectivity, contributions to the municipal services they depend on) we will repeat the oldest pattern in our economy: profound wealth generated on the doorstep of communities that see none of it."

<https://tinyurl.com/4j8rm9ms>

SA's data centre boom exposes a dangerous digital governance paradox

“What is unfolding in South Africa is not merely an ecological dilemma. It is a governance rupture with geopolitical reverberations, a case study in how strategic digital infrastructure is being green-lit without the regulatory imagination or institutional architecture to match its significance. Data centres are often treated as technical infrastructure, industrial facilities housing servers and storage systems. In reality, they are strategic assets. They determine how data is stored, who controls digital flows, how economies transact, and how states project power in an increasingly digitised global order.”

<https://tinyurl.com/3nvfzuce>

There's a positive story to tell about booming data centres

“Data centres in South Africa are not just energy consumers; they are catalysts for economic growth, infrastructure development and job creation across cities.”

<https://tinyurl.com/35sybmzw>

When the rules break: Data centres – between sovereignty and sustainability

“While most, if not all, African markets are driving the growth of their digital economies, their foundational goal – to keep data local for matters of ownership, governance, and cost – is now colliding head-on with the continent's resource realities.”

<https://tinyurl.com/2ucbwpfk>

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