



WHITE PAPER

Powering the AI Economy

Data Centres, Energy and
the Emerging Digital Geography
of Southeast Europe

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Introduction

Artificial intelligence is changing the geography of data centre investment in Europe. As AI facilities require increasingly large and reliable power supplies, access to electricity, grid capacity, land, connectivity and development time is becoming central to site selection. This is extending the search beyond Europe's established data centre hubs.

Southeastern Europe is an area that provides various opportunities. The countries of Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Greece, Montenegro, North Macedonia, and Serbia have very different energy systems and digital development, but when taken together, they provide various factors that can be valuable for building an infrastructure for large-scale artificial intelligence: generation capabilities, renewable energy, industry, and suitable land.

The key question is where these assets can converge at a specific location and be developed at the scale and speed required by AI infrastructure. This report examines that question through five dimensions: Energy & Grid, Connectivity, Land & Development, Water, and Institutional & Regulatory Environment, combining regional data with evidence from existing projects and six locations selected for further site level screening.

The New Polis white paper was prepared in cooperation with Balkan Energy Connect (BEC).

Key Findings

The site matters more than the national average. National energy, connectivity and land indicators provide useful screening context, but investment readiness is determined at site level.

Southeast Europe has several infrastructure pathways. The region does not have a single development model. Energy assets, transmission networks, industrial land and digital infrastructure create different opportunities in different locations.

Power availability is a sequence. For a large data centre, the relevant chain is:

Available Power → Connectable Power → Contractable Power → Usable Power

Generation capacity alone does not establish whether firm power can be delivered to a specific site.

New possibilities exist outside the traditional data centre hotspots. The screening identifies six locations where different infrastructure assets converge. They represent potential development pathways, not investment ready sites.

Infrastructure convergence is the real investment test. A viable AI data centre requires power, grid capacity, connectivity, land, cooling and a workable development pathway to come together at the required scale and speed.

About This Report

Scope, Approach and Sources

This report examines the infrastructure conditions shaping large-scale and AI-oriented data-centre development across Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Greece, Montenegro, North Macedonia and Serbia.

The analysis uses five interconnected dimensions:

Dimension	Investment question
Energy & Grid	Can sufficient reliable power reach the site within an investment-relevant timeframe and be contracted on viable terms?
Connectivity	Can the site obtain resilient regional and international digital connectivity?
Land & Development	Is sufficient suitable land available for the initial campus and future expansion?
Water	Can cooling requirements be supported under local conditions?
Institutional & Regulatory Environment	Can grid connection, planning, environmental and other approvals progress through a predictable development pathway?

The dimensions are not used to rank countries. The investment proposition emerges from how these conditions combine at a specific location. A central concept used in the report is usable power:

Usable power is power that a new large consumer can realistically access at a specific location, within an investment-relevant timeframe and cost, with sufficient reliability and flexibility. National infrastructure indicators are useful for screening, but investment readiness is determined at site level.

This report builds on the usable-power framework developed in New Polis' earlier white paper, *Beyond Megawatts: Grid Readiness and Energy Competitiveness in the Balkans*, and applies it specifically to the infrastructure requirements of large-scale and AI-oriented data centres.

Scope and limitations

The five dimensions used in this report are intended as an infrastructure and development screening framework rather than a comprehensive assessment of investment attractiveness. Data-centre investment decisions are also shaped by factors that are not systematically evaluated here, including the quality and practical implementation of regulation, informal administrative practices, institutional capacity and decision-making processes, taxation and investment incentives, access to finance, labour availability and human capital, political and commercial risk, and local acceptance of major infrastructure projects. These factors can materially affect

project feasibility and development timelines, but a comparative assessment of them would require a different analytical framework and, in many cases, evidence that is not consistently available across the eight markets.

Evidence Base

Analysis makes use of mainly primary and institutional sources like national transmission system operators and energy regulators, national statistical offices, government and investment agencies, power exchanges, [ENTSO-E](#), the [Energy Community](#), the [European Environment Agency](#), and relevant EU institutions.

For digital infrastructure and connectivity, the analysis draws on [Internet Society Pulse](#), [PeeringDB](#), internet exchanges, telecommunications operators and data-centre operators. Market intelligence from sources such as Commercial Real Estate Services ([CBRE](#)) and [iO Partners](#) is used primarily for the European market context and broader data-centre investment trends. Existing data-centre projects, infrastructure developments and documented commercial transactions are included where they provide evidence of actual development conditions.

Cross-country comparisons require caution. Electricity statistics are not fully harmonised, and installed generation capacity, annual generation, transmission capacity, transformer capacity, cross-border transfer capability and firm connection capacity measure different aspects of the power system. They are therefore not treated as interchangeable indicators of data-centre readiness. Public sources also rarely establish whether a specific site can support a 50 to 100 MW new load within a defined timeframe. Where site-level evidence is unavailable, the report identifies the relevant data gap rather than inferring capacity from national or regional infrastructure indicators.

Short and extended editions

This **Short Edition** presents the principal regional findings and selected location signals. The **Extended Edition** will provide more detailed market profiles, infrastructure and site-level analysis, a broader screening of potential locations and expert input. For information about the Extended Edition or further expert analysis, please contact us at info@newpolis.media.

Neither edition substitutes for technical, legal or commercial due diligence at a specific site.

1. AI Is Redrawing Europe's Data-Centre Map

Why power, grid access and scalable land are changing location decisions

Europe's data-centre geography was built around a familiar set of advantages: proximity to major business centres, dense fibre networks, cloud availability zones and established interconnection ecosystems. London, Frankfurt, Amsterdam, Paris and Dublin became the continent's dominant data-centre markets because these conditions reinforced one another.

AI is changing that location equation. Europe's established markets retain important advantages, including customer concentration, network density, cloud ecosystems and operational expertise. At the same time, the scale of new AI-oriented projects is making power availability, grid access and development space increasingly important in the initial stages of site selection.

The question is becoming more specific: where can sufficient power, grid capacity and scalable land be secured within an investment-relevant timeframe?

1.1 AI is changing the scale of electricity demand

The global electricity requirement of data centres is entering a period of rapid expansion.

The [International Energy Agency](#) estimates that electricity consumption by data centres will more than double to around 945 TWh by 2030, driven primarily by the growth of AI. The IEA also projects that electricity demand from AI-optimised data centres will more than quadruple over the same period.

The scale of individual facilities is changing as well. The [IEA](#) estimates that conventional data centres typically require around 10 to 25 MW, while hyperscale AI-focused facilities can exceed 100 MW.

Europe is part of this expansion. The IEA expects [data-centre electricity consumption in Europe](#) to rise by more than 70%, or more than 45 TWh, by 2030. This demand is geographically concentrated: a large new facility connects at a particular grid node, where local network conditions can matter more than national generation capacity.

A national system may have sufficient generation in aggregate while a particular metropolitan area has limited connection headroom. New generation elsewhere in the country may not resolve a local transmission constraint, while additional grid infrastructure can take considerably longer to deliver than the computing equipment it is intended to supply. The [IEA notes](#) that a data centre can be operational within two to three years, while the broader energy infrastructure required to serve new demand often has longer planning and construction lead times.

AI therefore changes the location question at two levels: projects can require much larger blocks of power, while the infrastructure needed to serve them may take longer to develop. Power is consequently moving closer to the beginning of the location-selection process, rather than being treated only as an operating input after a site has been chosen.

1.2 Established European markets are running into physical constraints

Europe's largest data-centre markets continue to attract investment, but available capacity is becoming tighter.

CBRE's European data-centre market analysis shows that demand continues to outpace new supply, while the delivery of additional capacity is constrained by limited power and land availability. According to CBRE's [European Real Estate Market Outlook 2026](#), the average vacancy rate across European data centres was estimated at 7.3% in 2025 and is forecast to decline to 6.5% by the end of 2026 (p. 29, Figure 9).

The pressure is particularly visible in the established FLAPD markets: Frankfurt, London, Amsterdam, Paris and Dublin. [CBRE](#) reported a 7% data centre vacancy rate across the FLAPD markets in Q3 2025, while the overall European vacancy rate stood at 8.6%. The report highlighted that securing capacity at scale was particularly challenging in London and Frankfurt, Europe's two largest data centre markets.

Low vacancy reflects strong demand, but the supply side is also becoming more difficult. Developers face constraints related to power availability, land, and the delivery of new infrastructure. These constraints differ by market: grid availability may dominate in one location, while land, permitting or other development conditions matter more elsewhere.

Established hubs nevertheless retain important advantages for latency-sensitive workloads and enterprise demand. The change is that these advantages increasingly coexist with a second set of requirements: large-scale power, grid capacity, developable land and expansion potential.

1.3 New development is moving beyond traditional centres

Geographical shifts can be observed in terms of development trends.

According to [JLL's 2026 EMEA](#) data-centre forecast, 39% of the 2026 to 2028 pipeline involves greenfield developments, which represents an increase from 8% in projects commissioned in the past three years. On average, hyperscale facilities included in the 2026 to 2028 pipeline are positioned at a distance of 175 km from the existing hub cities, compared with 46 km from such facilities commissioned during 2022 to 2025.

CBRE's [European Real Estate Market Outlook Mid-Year Review 2025](#) provides further evidence of this geographical diversification. In its mid-year assessment, CBRE forecast that the five largest European data centre markets -FLAPD (Frankfurt, London, Amsterdam, Paris and Dublin) - would account for 70% of new supply in 2025. At the same time, seven secondary markets were expected to exceed 100 MW of supply each, compared with none four years earlier. As noted by CBRE, developers were increasing their capacity at a certain distance from the large cities, up to 40 km from the clusters of data centres. Moreover, organisations deployed capacity not only in the existing markets but also in small cities.

This does not necessarily indicate that data centre operators are relocating away from metropolitan areas. Rather, it suggests that developers are increasingly expanding beyond established clusters, where constraints on power availability, land and infrastructure can limit new capacity.

1.4 Power is becoming a location variable

Historically, energy infrastructure followed centres of economic activity.

Today, large AI data centres are increasingly making power availability a factor in determining where new computing capacity can be built. This favours sites with existing energy infrastructure, including former power-generation facilities, industrial areas with high-voltage connections and locations near major substations or renewable generation. A regional example is Greece's Western Macedonia, where [PPC and Amazon Web Services](#) signed a memorandum of understanding in September 2026 for a data centre at the Agios Dimitrios power plant. The project remains subject to definitive agreements, due diligence, grid connection and regulatory approvals.

The case illustrates the potential value of repurposing energy-intensive industrial sites, but also the distinction between an attractive location and a project with secured, deliverable power.

For investors, the critical variable is therefore not simply the price of electricity, but time-to-power: how much capacity can be connected, how soon, at what cost and with what certainty. Long grid-connection lead times can undermine an otherwise competitive site. In its 2026 outlook, [CBRE](#) identifies grid bottlenecks and lengthy connection timelines as factors driving operators to consider on-site generation.

As IEA [Executive Director Fatih Birol](#) put it in April 2026, countries providing “secure, affordable and rapid access to electricity” will be better positioned to benefit from AI development.

For Southeast Europe, this makes site selection an infrastructure question as much as a real-estate decision. Installed generation alone is not enough: grid access, connection time and cost, long-term power procurement and expansion potential increasingly shape location decisions. Where can Southeast Europe support the next 100 MW of AI-ready digital infrastructure?

2. Southeast Europe's Infrastructure Proposition

Southeast Europe does not offer a single, uniform proposition for data-centre investment. The eight markets examined in this report differ substantially in the scale and structure of their electricity systems, transmission networks, digital connectivity, industrial geography and regulatory environment. Their relevance for data-centre development therefore lies in different combinations of infrastructure rather than in a common regional model.

A country may have substantial generation capacity but limited headroom at the grid node serving a particular site. Another may have a smaller electricity system but strong international interconnections. A city with a developed digital ecosystem may face constraints on land or power, while an industrial or energy location outside the main urban market may offer expansion potential but require additional fibre or development infrastructure.

For investors, the regional opportunity therefore comes down to five practical questions. Can enough reliable electricity reach the site? Can it connect efficiently to regional and international digital networks? Is there sufficient land for the initial campus and future expansion? Can cooling requirements be supported under local conditions? And can the project move through grid connection, permitting and environmental approvals within a predictable timeframe?

Together, these questions form the New Polis Data Centre Investment Readiness Framework. The framework is used as a screening tool rather than a country ranking. Its purpose is to identify where infrastructure conditions converge and where site level evidence is still missing.

2.1 Power, Grid and Procurement

Installed capacity is not the same as connectable capacity

Electricity is the starting point for large scale AI infrastructure. The generation capacity of each country provides the first indication of the scale of its power system and therefore of the infrastructure available to support new investment.

The eight countries covered by this report differ substantially in the size and configuration of their electricity systems. Greece and Bulgaria have the largest installed generation capacities in the group, followed by Serbia and Croatia. Montenegro has a much smaller generation base, but its transmission position gives it a role in regional electricity flows, including connections with neighbouring countries and the HVDC link with Italy. North Macedonia also has a relatively small generation base, while its transmission system is interconnected with several neighbouring electricity systems.

Table 1. Southeast Europe's Electricity Systems at a Glance, 2025

Country	Installed power capacity	Domestic electricity production	Transmission network
Albania	3,475 MW	7.47 TWh	3,423 km
Bosnia and Herzegovina	5,547 MW	14.54 TWh	6,521 km
Bulgaria	18,668 MW*	40.20 TWh	16,152 km
Croatia	5,793 MW†	13.44 TWh	7,908 km
Greece	25,740 MW‡	59.50 TWh§	14,512 km
Montenegro	1,158 MW	2.37 TWh	1,587 km
North Macedonia	3,163 MW	6.12 TWh	2,234 km
Serbia	8,868 MW	34.25 TWh	10,115 km

* Bulgaria: total reported installed capacity includes 1,382 MW of battery energy storage facilities.

† Croatia: total available power-plant capacity reported as of 1 July 2025.

‡ Greece: Net Generation Capacity, including storage, as reported by ENTSO-E for 1 January 2025.

§ Greece: domestic production combines the interconnected system and non-interconnected islands.

Sources: Albania: [ERE, Annual Report 2025](#); [INSTAT, Balance of Electric Power, 2025](#); [OST, Description of the Transmission System](#). Bosnia and Herzegovina: [SERC/DERK](#). Bulgaria: [ESO](#). Croatia: [OIEH, RESC Q2 2025 Report](#); [OIEH, Croatia 2025 Annual Electricity Review](#); [HOPS, Transmission Network](#). Greece: [ENTSO-E, Statistical Factsheet 2025](#); [The Green Tank](#); [ADMIE Holding/IPTO](#). Montenegro: [CGES, Annual Business Report 2025](#). North Macedonia: [ERC, Annual Report 2025](#). Serbia: [AERS, Annual Report 2025](#).

The comparison reveals an important distinction. Installed generation describes the production base, while transmission-network length and transformer capacity describe elements of the physical system. Neither metric establishes how much additional firm load can be connected at a specific location without network reinforcement. A smaller system may partly compensate through cross-border infrastructure, while a hydro-rich system may offer renewable and flexible generation but remain exposed to hydrological variability.

This becomes particularly important for a 50–100 MW data-centre load. Across much of Southeast Europe, public information becomes less precise when the question shifts from national system capacity to available capacity at a specific connection point.

Publicly available data illustrate the difference between national infrastructure statistics and connection-level information. Montenegro's transmission operator, CGES, reports 1,586.7 km of transmission network and 31 substations on its [official website](#). Its [connection map](#) provides indicative estimates of connection possibilities from the perspective of power flows, but these are not equivalent to a confirmed allocation of firm capacity to a new data centre.

Croatia publishes detailed physical network statistics. According to [HOPS, updated September 2025](#), its transmission network comprises 193 transformer substations with a reported aggregate transformer rating of 13,053.5 MVA and 7,908.1 km of transmission lines. These figures

describe the infrastructure, not the spare capacity available for a new 50–100 MW load at any particular substation.

The Energy Community provides comparable national-level indicators for North Macedonia and Bosnia and Herzegovina, including installed generation capacity and transmission-network length. However, these national indicators do not establish connection-ready capacity at an individual site. See the [North Macedonia country profile](#) and the [Bosnia and Herzegovina country profile](#).

Public information is even more limited when the question moves from connection capacity to connection cost. The existence of nearby transmission lines or substations does not establish the cost or delivery schedule for connecting a 50–100 MW load. New transformation capacity, network reinforcement and other technical works may be required, making the assessment project- and location-specific.

A 100 MW project may require new transformation capacity, network reinforcement or operational restrictions even in a country with a large generation fleet. Conversely, existing energy infrastructure at a particular location can create opportunities that national statistics do not reveal.

The Gemini project in Greece illustrates this distinction: IPTO and [Serverfarm](#) announced a Greater Athens data-centre campus with 130 MW of committed power for its initial development. This project-specific commitment does not indicate spare capacity elsewhere in Greece.

Flexibility changes the power equation

Grid access is not the end of the electricity question. Large AI oriented facilities require continuous and highly reliable supply, while Southeast Europe's electricity systems contain different combinations of nuclear, hydro, coal, gas, wind, solar and storage. System level generation and reliability indicators provide useful context, but they do not establish the reliability configuration of a particular high voltage connection. For a large data centre project, this requires site specific engineering assessment, including connection configuration, redundancy and operating conditions.

Storage, dispatchable generation and demand response can help integrate variable generation and manage system peaks, but technical availability is only part of the equation. Their value to a large consumer also depends on market design, access to balancing and ancillary service markets, and the contractual structure available to the consumer. This introduces an institutional dimension to grid readiness. Regulators, transmission and distribution operators, market operators, aggregators and flexible consumers all influence how technically available flexibility can be used.

Electricity market integration is developing at different speeds across the Western Balkans. As of 28 August 2026, [Energy Community data](#) show operating day ahead markets in Albania, Montenegro, North Macedonia and Serbia, while Bosnia and Herzegovina did not yet have an operating day ahead market. The same source lists operating intraday markets in Albania, Montenegro, North Macedonia and Serbia, with no operating intraday market recorded for Bosnia and Herzegovina. This is relevant to market flexibility and procurement options, but it should not be interpreted as a direct measure of data centre investment readiness.

For a large electricity consumer, technically available flexibility and commercially usable flexibility are therefore different things.

From grid access to power procurement

For data-centre investors, access to power is only part of the energy equation. A 50–100 MW facility also requires a procurement structure capable of supplying electricity over a long investment horizon at manageable cost and, increasingly, with verifiable low-carbon attributes.

Wholesale electricity prices provide a useful market benchmark, but they should not be confused with the final electricity cost paid by a data-centre operator. Network charges, taxes and levies, supplier margins, balancing and shaping costs, and the structure of the procurement contract can materially change project economics.

Table 2. Power Procurement Conditions for Large Data-Centre Loads

Market	2025 day-ahead benchmark	Long-term procurement signals	Investment implication
Albania	€118.23/MWh	Organised day-ahead and intraday markets operate; corporate PPA structures remain dependent on supplier/sleeving arrangements	Hydro provides a predominantly renewable supply profile, but hydrological exposure and the limited depth of long-term contracting remain relevant for a large continuous load
Bosnia and Herzegovina	No domestic day-ahead benchmark	No operating domestic day-ahead or intraday market; corporate PPA structures face market-liquidity and sleeving constraints	Significant domestic generation does not by itself provide a transparent long-term procurement pathway for a 50–100 MW continuous load
Bulgaria	€106.90/MWh	Corporate PPAs are present; ACER identifies an evolving virtual PPA market, particularly around solar	Solar, hydro and nuclear provide several potential low-carbon sourcing options, while shaping and firming remain relevant for continuous demand
Croatia	€105.35/MWh	Corporate renewable procurement is present within the EU electricity-market framework	Renewable procurement options exist, but a large continuous load still requires balancing, shaping and an appropriate long-term contractual structure
Greece	€103.60/MWh	Active PPA market supported by a dedicated	Established PPA infrastructure and expanding renewable supply

Market	2025 day-ahead benchmark	Long-term procurement signals	Investment implication
		HEnEx PPA platform and standard contract template	provide several long-term sourcing options, although contract structure and shaping remain important
Montenegro	€113.24/MWh	Organised day-ahead and intraday markets operate; corporate PPA viability remains dependent on supplier/sleeving arrangements	Hydro and wind resources provide renewable sourcing potential, but procurement structures for a very large continuous load require project-specific assessment
North Macedonia	€107.98/MWh	Organised day-ahead and intraday markets operate; corporate PPA structures remain dependent on supplier/sleeving arrangements	Renewable options are expanding, but a 50–100 MW continuous load would require verification of long-term contracting, balancing and firming arrangements
Serbia	€107.87/MWh*	Organised day-ahead and intraday markets operate; Energy Community analysis identifies comparatively stronger exchange liquidity and documented PPA activity	Long-term renewable contracting is increasingly feasible, but balancing, shaping and residual grid supply remain relevant for continuous data-centre demand

* For cross-market comparability, the table uses the 2025 time-weighted day-ahead series compiled from ENTSO-E data. Exchange-published annual indices may differ because of methodology and should not be mixed directly with this series.

Sources: 2025 day-ahead electricity price benchmarks are based on time-weighted day-ahead series from the [ENTSO-E Transparency Platform](#). Electricity-market development and the availability of organised day-ahead and intraday markets in the Western Balkans are based on the [Energy Community Secretariat, Electricity Integration Package Implementation: Deliverables and State of Play](#). Evidence on corporate power purchase agreements and long-term procurement in EU markets draws on [ACER, Power Purchase Agreements: 2025 Market Monitoring](#) and the [ACER PPA Country Sheets 2025](#). Greece-specific PPA infrastructure is based on the [Hellenic Energy Exchange \(HEnEx\) PPA Platform](#) and its [PPA Platform Rulebook and Decisions](#).

The same distinction applies to renewable generation. A high renewable share indicates the composition of the electricity system, but it does not by itself establish that a data centre can secure firm renewable electricity under a long term contract.

Albania illustrates the distinction particularly clearly. Its electricity generation is dominated by hydropower, according to Energy Community data, which gives the system a predominantly renewable generation profile but also makes hydrological conditions relevant to supply.

The relevant investment question is therefore whether electricity can be connected, contracted, and supplied with the reliability, volume, duration and environmental attributes required by the project.

This leads to a more useful investment sequence:

Available Power → Connectable Power → Contractable Power → Usable Power

For data centre investment, usable power is electricity that a new large consumer can realistically access at a specific location, within an investment relevant timeframe and cost, with sufficient reliability and flexibility.

2.2 Digital Connectivity

Power may increasingly determine where large AI facilities can be built, but electricity alone cannot create a viable data centre location. A site also needs resilient access to regional and international digital networks.

Southeast Europe's connectivity landscape is highly uneven. Domestic interconnection depth and international route strength do not necessarily develop together, so both need to be considered.

Table 3. Digital Connectivity Across Southeast Europe

Market	Domestic interconnection	International / regional position	Main digital nodes	Investment reading
Albania	ANIX; 24 members; 46% domestic network reach via IXP	Adriatic connectivity towards Italy; route position between Greece and Italy	Tirana, Durrës	Smaller domestic ecosystem, with Durrës providing Adriatic connectivity towards Italy; route capacity and diversity require site-level verification
Bosnia and Herzegovina	BHNIX; 9 members; 37% domestic network reach via IXP	Terrestrial regional connectivity	Sarajevo	International connectivity exists, but domestic interconnection remains comparatively shallow
Bulgaria	8 active IXPs; 91% domestic network reach via IXPs	Strong terrestrial links; BIX.BG integrated with DE-CIX Frankfurt and Istanbul	Sofia, Varna	One of the region's deeper interconnection ecosystems, with strong terrestrial links to European networks
Croatia	CIX; 41 members*; 87% domestic network reach via IXP	Strong access towards Central Europe	Zagreb, Varaždin	Broad domestic IXP reach combined with access towards Central European networks
Greece	8 active IXPs; 85% domestic network reach via IXPs; GR-IX Athens: 4.5 Tbps cumulative	Mediterranean submarine routes and Crete gateway	Athens, Thessaloniki, Crete	Developed domestic ecosystem combined with a strong Mediterranean gateway position

Market	Domestic interconnection	International / regional position	Main digital nodes	Investment reading
	member port capacity			
Montenegro	No active IXP recorded by Internet Society Pulse	Very good international upstream diversity; Adriatic position	Podgorica, coast	International connectivity is stronger than the small domestic interconnection ecosystem suggests
North Macedonia	IXP.mk; 17 members; 78% domestic network reach via IXP	Inland position between Serbia, Bulgaria, Greece and Albania	Skopje	Small market but comparatively broad domestic IXP reach
Serbia	SOX; 42 members; 85% domestic network reach via IXP; 3,999 Gbps cumulative member port capacity	Strong terrestrial position towards Central Europe and neighbouring Balkan markets	Belgrade, Novi Sad, Niš	Strong inland interconnection position and relatively mature domestic ecosystem

***Note:** IXP membership, capacity and network-reach figures are the latest available 2026 snapshots from Internet Society Pulse and PeeringDB, with reference dates varying by exchange and country (primarily August–October 2026). Domestic network reach via IXPs refers to the share of active networks that are either IXP members or customers of IXP members. Cumulative member port capacity is the sum of members' reported port speeds and should not be interpreted as actual traffic throughput. The indicators are not fully comparable across markets and are used to characterise the depth and structure of digital connectivity rather than to rank national ecosystems.*

***Sources:** Internet Society Pulse IXP Tracker: [Albania / ANIX](#); [Bosnia and Herzegovina / BHNIX](#); [Bulgaria](#); [Croatia / CIX](#); [Greece](#); [Montenegro](#); [North Macedonia / IXP.mk](#); [Serbia / SOX](#). Exchange-level data: [ANIX](#); [BHNIX](#); [GR-IX Athens](#); [IXP.mk](#); [SOX Serbia](#). International connectivity: [DE-CIX Sofia / BIX.BG](#); [Greek General Secretariat of Telecommunications and Post](#).*

The available evidence points to several distinct connectivity positions rather than a single regional hub. Athens combines a domestic interconnection ecosystem with access to Mediterranean submarine cable routes. In September 2026, [Internet Society Pulse](#) recorded 66 autonomous system numbers (ASNs) at [GR-IX Athens](#) and 4,500 Gbps of cumulative member port capacity. Greece's General Secretariat of Telecommunications and Post also identifies the country's expanding submarine cable infrastructure as a strategic asset for international connectivity and the digital economy.

Sofia provides a different model. [DE-CIX](#) reported 138 public peers and a traffic peak of 1.39 Tbps on 19 July 2026. BIX.BG is connected to DE-CIX Frankfurt and Istanbul, with members distributed across more than ten Sofia data centres. These connections provide regional and international interconnection options, although network-level redundancy does not automatically establish physically independent routes to an individual facility.

Serbia has an established domestic interconnection point through the [Serbian Open eXchange \(SOX\)](#). SOX describes itself as a business-to-business platform for internet companies, operators and content providers, with equipment hosted in data centres in Belgrade and other regional locations.

According to [Internet Society Pulse](#), Croatia had one active internet exchange point (IXP) in September 2026, with a combined total of 41 members. An estimated 88% of the country's 147

active networks were either IXP members or customers of IXP members. These indicators describe the interconnection ecosystem, not the resilience of any individual data-centre site.

Albania presents a different connectivity profile. Internet Society Pulse recorded one active [IXP](#), the Albanian Neutral Internet eXchange ([ANIX](#)), with 24 members in September 2026; 46% of the country's 123 active networks were members of an IXP or customers of its members. This indicates a smaller domestic interconnection ecosystem than those of Bulgaria or Greece. Albania's Adriatic location may offer access to international fibre routes, but the availability, capacity and physical diversity of routes near Durrës must be verified at site level rather than inferred from geography alone.

[Internet Society Pulse](#) lists no active IXP in Montenegro under its methodology, which counts internet exchange points listed as active in PeeringDB and connected to at least three autonomous systems (ASNs). Yet its country profile rates international upstream diversity as “Very Good”. This illustrates why the number of domestic IXPs alone is insufficient to assess international connectivity.

For investors, connectivity therefore needs to be assessed at two levels: regional reach through international routes, major IXPs and access to European digital markets; and site-level resilience through multiple physically independent fibre routes and carrier options. Public information can help assess the first, but the second usually requires technical due diligence, including confirmation of route diversity, carrier availability, capacity and service-level commitments.

2.3 Land, Water and the Development Environment

The final part of the regional proposition concerns whether infrastructure potential can actually be converted into a developable project.

Large AI-oriented campuses require more than sufficient acreage. For large-scale data-centre development, land needs more than sufficient acreage. Relevant factors include planning status, ownership or site control, proximity to power and fibre infrastructure, access to utilities, viable cooling conditions and sufficient space for future expansion. Publicly identified industrial or development land should therefore be treated as a screening signal rather than evidence that a site is ready for data-centre development. Existing industrial, communications and energy sites can therefore possess advantages that are not visible in conventional comparisons of national data-centre markets.

The regional evidence already includes several different development models. [TIDZ Štip](#) in North Macedonia is a state owned greenfield industrial zone of approximately 206 hectares. These examples illustrate the relevance of land scale and existing infrastructure, but neither establishes that the site can support a 50 to 100 MW data centre without further technical assessment.

Table 4. Data Centre Projects as Evidence of Emerging Development Conditions

Project	Scale / status	Cooling and water evidence	Development signal
PPC Mega Data Center, Western Macedonia, Greece	300 MW initial phase; expansion potential up to 1 GW; development under binding PPC–AWS MoU	Estimated annual water use of up to 400,000 m ³ ; closed-loop cooling system indicated in project information	Reuse of a former energy site with existing energy and industrial infrastructure
Gemini, Greater Athens, Greece	Up to 130 MW committed power for the initial Greater Athens campus	Advanced cooling technologies announced; no project-specific annual water-consumption figure identified in the cited public sources	IPTO-backed sites with access to power and optical fibre
State Data Centre, Kragujevac, Serbia	Operational state data centre; total capacity reached 14 MW following 2026 expansion; further expansion planned	Water cooling is part of the facility's cooling infrastructure; no comparable annual water-use figure is identified in public official sources.	Existing operational state-led campus with redundant infrastructure and expansion plans
Telepoint / Digital Realty, Sofia, Bulgaria	Existing operational facilities	Precision cooling and free cooling documented; no comparable project-level water-use metric identified	Established commercial data-centre platform within Sofia's developed interconnection ecosystem
Deanovec Data Centre, Croatia	Existing disaster-recovery facility completed in Q3 2024; six racks installed, with provision for six additional racks. A separate new DC project is planned at the site, with capacity up to 20 MW, modular and scalable.	Existing DR facility equipped with rack-level air conditioning; no project-specific water-consumption figure identified for the planned 20 MW facility.	12-ha site; 100,000 m ² available for the planned DC; backbone fibre and expandable grid connection.

Sources: PPC Mega Data Center, Western Macedonia, Greece: [PPC Group](#) and [PPC Group. Annual Report 2025](#); water-use and closed-loop cooling estimates are based on PPC technical information reported in [Business Daily](#). Gemini, Greater Athens, Greece: [IPTO](#), [IPTO–Serverfarm collaboration for the development and operation of hyperscale-ready data centres](#). State Data Centre, Kragujevac, Serbia: [Government of Serbia](#); [Office for IT and eGovernment](#); [City of Kragujevac, 2026](#); [Orion Telekom as commercial user of the State Data Centre](#). Telepoint / Digital Realty, Sofia, Bulgaria: [Digital reality](#). Data Center Deanovec, Croatia: [OIV, Consolidated Annual Report 2023](#). [OIV, Annual Report 2024](#). Serbia

The projects are not directly comparable in scale, ownership or development model. Their purpose here is to provide evidence of actual development conditions, including the interaction between land, existing infrastructure, power, fibre and cooling.

Water: from national screening to site conditions

Water introduces another location variable, particularly as higher density computing changes cooling requirements.

Country-level seasonal water scarcity indicators provide a useful first screening layer. According to the [European Environment Agency](#) (EEA), the highest seasonal Water Exploitation Index Plus (WEI+) recorded in 2023 was 37.4% in Greece, followed by 10.5% in Albania, 9.9% in North Macedonia, 5.0% in Serbia, 2.3% in Bulgaria and 0.6% in Croatia. For Bosnia and Herzegovina, the latest value shown by the EEA is 2.1%, but this refers to 2022 due to a lack of more recent data. The EEA provides no comparable 2023 country-level value for Montenegro.

European Environment Agency: Water scarcity conditions and WEI+ data

The EEA describes WEI+ as an indicator of water scarcity conditions at the seasonal and river basin level. It therefore provides a screening signal rather than a measure of the water availability of a particular data centre site. Actual exposure depends on cooling design, the source and type of water used, local basin conditions and facility scale. Public project documentation also varies considerably in the amount of cooling and water information disclosed. For this reason, project specific water consumption figures should be included only where they are supported by primary project documentation. Where comparable project-specific water data are not publicly available, the report records the data gap rather than estimating water demand from facility size or cooling technology.

The development pathway

Regulation adds another layer, but formal regulatory alignment alone is a poor proxy for whether an individual project can be delivered quickly.

Bulgaria, Croatia and Greece operate within the EU regulatory framework. Under Commission Delegated Regulation (EU) [2024/1364](#), data centre operators with an installed IT power demand of at least 500 kW must report specified operational data and key performance indicators, including Power Usage Effectiveness (PUE), Water Usage Effectiveness (WUE), energy reuse, renewable energy use and water consumption. The European database makes the reported information publicly available in aggregated form at Member State and EU level, rather than disclosing individual facilities.

This creates a common European framework for data centre sustainability reporting, but it does not provide site level information on grid connection, land availability or project permitting.

Albania, Bosnia and Herzegovina, Montenegro, North Macedonia and Serbia are Energy Community Contracting Parties rather than EU Member States. Their energy frameworks are progressively aligned with the EU acquis, but implementation remains uneven. The Energy Community's 2025 country scores, for example, ranged from [63%](#) for Serbia to [26%](#) for Bosnia and Herzegovina. These figures are implementation indicators and should not be interpreted as data centre investment ratings.

For investors, the more practical issue is the development pathway: the interaction between grid connection, planning and construction approvals, environmental requirements, land use rules, electricity procurement and, depending on the cooling solution, water access. Publicly available

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information can identify elements of this formal pathway, but it does not provide a consistent basis for comparing how regulatory and administrative processes operate in practice across all eight markets.

Existing infrastructure can reduce some of these uncertainties but does not eliminate project specific due diligence. The relevant investment question is therefore **how predictable the path is from a candidate site to a powered, connected and fully permitted data centre campus.**

From regional infrastructure to location opportunity

Southeast Europe has many of the building blocks for AI-ready data centres, but their availability varies by location. The European Investment Bank's [Investment Report 2025/26](#) highlights grid connection as a growing bottleneck: developers in Europe's established FLAPD data centre hubs face average connection queues of seven to ten years. This makes local power and grid capacity increasingly important in site selection. The next chapter examines specific locations where electricity, connectivity, land, cooling resources and viable development pathways converge.

3. From Regional Potential to Location Opportunities

Southeast Europe's existing data centre projects show that large digital infrastructure can develop through several different pathways. New capacity can emerge around energy infrastructure, at sites with existing power and communications assets, through state led digital infrastructure, or within established commercial data centre ecosystems.

This matters because AI oriented facilities place greater emphasis on power availability, scalable land, connectivity and development timelines. As a result, the search for future capacity can extend beyond established data centre markets to locations where different infrastructure assets converge.

Existing projects provide evidence of what has already been developed or publicly proposed. Potential locations provide a different type of evidence. They are signals for further screening, not evidence that a site is ready for investment.

3.1 What Existing Projects Tell Us

Several documented projects across Southeast Europe illustrate different development pathways.

Energy infrastructure can become digital infrastructure. Western Macedonia provides the clearest regional example. [PPC's](#) proposed Mega Data Center at the former Agios Dimitrios lignite site is planned at 300 MW in its first phase, with potential expansion to 1 GW. The project illustrates how former power generation sites can acquire a second infrastructure role through existing grid, utility and industrial assets.

Transmission infrastructure can anchor hyperscale development. The Gemini project in Greater Athens follows a different model. The joint venture between [Serverfarm](#) and IPTO announced 130 MW of committed power for its first campus, with IPTO contributing sites linked to electricity and optical-fibre infrastructure.

Existing communications and utility infrastructure can support a new data centre project. Croatia's Deanovec site, owned by [OIV](#), illustrates this potential: the site is connected to a backbone fibre network, has an existing grid connection that can be expanded, and already hosts a disaster-recovery data centre.

Public digital infrastructure can create a new market anchor. [Serbia's State Data Centre in Kragujevac](#) demonstrates that significant digital infrastructure can develop outside the country's principal commercial centre through a state-led model.

Established commercial ecosystems still matter. [Sofia](#) provides the counterpoint to these infrastructure-led models. Its existing data centres, extensive peering and international connectivity demonstrate the continuing advantages of an established digital ecosystem.

Together, the projects illustrate several pathways into large-scale digital infrastructure:

Energy site → Transmission linked development → Communications site → Public digital infrastructure → Established commercial hub

The next question is whether similar combinations of infrastructure can be identified **before** a major data-centre project has already established the location.

3.2 Six Locations to Watch

The screening undertaken for this report reviewed energy, industrial and digital infrastructure across the eight markets to identify locations where several conditions relevant to large-scale data-centre development appear to converge. The assessment focused on five types of infrastructure signal: proximity to high-voltage power infrastructure or major generation assets; availability of scalable industrial or development land; regional or international digital connectivity; existing utility or energy infrastructure that could potentially be repurposed; and evidence of infrastructure or development plans that could support future expansion.

No single indicator was treated as sufficient for inclusion. A major substation, a large industrial site or strong regional connectivity can make a location relevant for further investigation, but none of these establishes data-centre readiness on its own. Locations were included where public evidence pointed to a potentially meaningful combination of infrastructure assets and where the remaining uncertainties could be formulated as specific site-level questions.

The selection is evidence-led rather than country-balanced: the screening was not designed to identify one location in each market. Markets without a location in the final six should not be interpreted as lacking data-centre potential; rather, no location was included solely to achieve geographic coverage.

The locations are not presented as investment recommendations or data-centre-ready sites. Public information is generally insufficient to confirm firm power availability, connection timing, fibre redundancy, water conditions and development feasibility at the level required for an investment decision. The six locations should therefore be read as candidates for further site level assessment, not as an exhaustive list of potential data centre locations in Southeast Europe.

Table 5. Six Locations for Further Data-Centre Screening

Location	Why it enters the screening	Principal infrastructure signal	Critical question
Smederevo, Serbia	Major industrial area with high-voltage infrastructure	Industrial transmission infrastructure + 400 kV grid geography	How much firm new load can be connected, and within what timeframe?
Spitallë / Durrës, Albania	Industrial and development zone with established electricity infrastructure Development land + proximity to Albania's international fibre routes	Scalable land + Adriatic fibre routes	Can the site secure data-centre-scale power and redundant fibre connectivity?
Kozloduy Energy Area, Bulgaria	Major low-carbon generation centre with grid, fibre and water infrastructure	Nuclear generation + transmission, and infrastructure	Which specific site can combine fibre suitable land with a bankable water connection pathway?
Sisak, Croatia	Industrial redevelopment location within the EU market	Serviced industrial land + utilities	Can the area secure data-centre-scale power and redundant carrier fibre?

Location	Why it enters the screening	Principal infrastructure signal	Critical question
TIDZ Štip, North Macedonia	Large state-owned industrial zone near important transmission infrastructure	Scalable land + 400 kV grid geography	Can the zone obtain a firm 50 to 100 MW connection and sufficient fibre and cooling infrastructure?
Podgorica 2 / Mareza, Montenegro	Electricity and optical transmission infrastructure converge at the same node	Grid + OPGW fibre	Is suitable land available nearby, and how much firm load can be connected?

Sources: Smederevo, Serbia: [Free Zone Smederevo](#) and [EMS. Transmission System Development Plan 2025–2034. project sheets](#). Spitallë / Durrës, Albania: [Albanian Investment Development Agency](#) and [Sparkle, Albania Crossin](#). Kozloduy Energy Area, Bulgaria: [Kozloduy NPP](#), [ESO Bulgaria](#) and [Kozloduy NPP technical documentation](#). Sisak, Croatia: [Industrial Zone Sisak](#). TIDZ Štip, North Macedonia: [Directorate for Technological Industrial Development Zones, TIDZ Štip](#). Podgorica 2 / Mareza, Montenegro: [CGES, Telecommunications and Optical-Fibre Infrastructure](#)

The table deliberately separates infrastructure signals from unresolved questions. Proximity to a substation does not prove available connection capacity, fibre on a transmission corridor does not guarantee multiple commercial carrier routes, and serviced industrial land does not establish that utilities are available at data-centre scale.

Smederevo, Serbia

Smederevo combines an established industrial base with significant high-voltage transmission infrastructure. The city is served by the 400/220/110 kV [Smederevo 3](#) substation, an important node in Serbia's transmission system. Public transmission-development documentation also identifies further reinforcement of the Smederevo 3 infrastructure. This makes the wider area relevant for screening, but neither the presence of the substation nor planned reinforcement establishes that 50–100 MW of firm new load is available. Project-specific connection capacity and timing would need to be confirmed.

Spitallë / Durrës, Albania

Spitallë combines a designated economic and industrial development area near Durrës with existing electricity infrastructure and proximity to an important Adriatic gateway. [Government planning](#) has linked the wider Spitallë area with economic-zone and port development, while electricity-sector documentation identifies the Spitallë substation and a 2026 procurement for further development of the local medium- and low-voltage network. The evidence supports further screening, but does not establish 50–100 MW of firm new load or sufficient carrier diversity. These would require site-level verification alongside land and water conditions.

Kozloduy Energy Area, Bulgaria

[Kozloduy](#) represents an explicitly energy-led proposition. In July 2025, Bulgaria's Ministry of Energy identified the area around the Kozloduy Nuclear Power Plant in discussions on AI gigafactories and data centres, highlighting proximity to electricity generation, existing fibre-optic connectivity and access to Danube water resources for cooling. This is a policy and infrastructure signal rather than a confirmed data-centre project: a specific developable site, firm connection capacity and the feasibility of combining land, grid access and cooling still need to be established.

Sisak, Croatia

[Sisak](#) enters the screening as an industrial redevelopment location with available serviced land and existing utility infrastructure. Croatia's official investment portal lists 70,193 m² of available land in the Southern Industrial Zone, within a business zone covering more than 650,000 m². The principal unresolved questions for data-centre development are data-centre-scale high-voltage power availability, connection requirements and physically independent carrier routes.

TIDZ Štip, North Macedonia

[TIDZ Štip](#) combines a large state-owned industrial site with the wider area's role in the electricity system. Official TIDZ documentation describes a 206.43-hectare, 100% state-owned greenfield site designated as construction land and documents electricity and telecommunications services. These conditions support further screening, but do not establish that the site can accommodate a 50–100 MW data-centre load. Firm connection capacity, fibre redundancy and cooling conditions require site-level verification.

Podgorica 2 / Mareza, Montenegro

[Podgorica2/Mareza](#) presents a clear infrastructure-convergence case. CGES operates transmission infrastructure at Podgorica 2 and documents multiple optical-fibre routes from the substation towards other transmission nodes; it also lists Podgorica 2 among the locations where colocation services can be provided. The evidence therefore shows electricity and communications infrastructure converging at the same node, but does not establish suitable campus land or 50–100 MW of available firm load. Both would require further site-level assessment.

3.3 From Screening to Site-Level Assessment

The six sites demonstrate varied starting points for development into data centres in terms of their current status and potential. While some have an existing or planned electricity infrastructure in place, others have a combination of industrial land and electricity infrastructure or both transmission and optical network infrastructure in place.

Their diversity is itself relevant to the analysis. The evidence does not point to a single development model for Southeast Europe. Instead, different locations may enter the data centre market through different combinations of power, land, connectivity and existing infrastructure.

The screening therefore points to the possibility of multiple infrastructure-led development nodes rather than a single emerging regional hub. This is not a forecast of where future data-centre investment will occur, but a hypothesis for further site-level testing.

More importantly, each of the six propositions has a material information gap. Smederevo requires verified connection headroom. Spitallë requires a credible high capacity power pathway and clearer evidence on site level digital infrastructure. Kozloduy requires identification of a specific developable site and confirmation of grid access. Sisak requires evidence of data centre scale high voltage power and fibre redundancy. Štip requires firm power capacity and site level infrastructure verification. Podgorica 2 requires suitable campus land and confirmed new load capacity.

This is the boundary between regional screening and investment due diligence.

For a 100 MW project, the decisive questions are increasingly site specific:

How much firm power is actually available?

What grid reinforcement is required?

How long would the connection take?

Can the site support future expansion?

Are independent fibre routes available?

Can cooling requirements be met within local water and environmental constraints?

Can the project move through land, permitting and grid connection processes within the investor's timetable?

These questions move the analysis from regional potential to actual site readiness. They also provide the basis for the final question of this report:

Where in Southeast Europe could the next 100 MW of AI oriented digital infrastructure actually be developed?

Conclusion

The Next 100 MW: From regional potential to investment-ready sites

The central question of this report was deliberately practical: **Where could Southeast Europe's next 100 MW of AI-ready data-centre capacity be developed?**

The analysis does not point to a single country, infrastructure model or emerging regional hub. Instead, it identifies several pathways through which Southeast Europe could participate in Europe's changing data-centre geography. Existing energy sites, transmission-linked locations, industrial zones, communications infrastructure and established digital ecosystems offer different starting points for development.

The main analytical finding is that the relevant unit of analysis is increasingly the site rather than the country. National statistics remain important for understanding the scale and structure of electricity systems, renewable resources, connectivity and the broader development environment. But they cannot establish whether a specific location can support a new 50–100 MW data centre within an investment-relevant timeframe.

For large AI-oriented projects, the critical variable is therefore not simply installed power, but time-to-usable-power. The report follows this progression:

Available Power → Connectable Power → Contractable Power → Usable Power

A country may have substantial generation capacity while the grid node serving a particular site has limited connection headroom. A major substation may be nearby, but reinforcement may still be required. Renewable generation may be abundant, but a project still needs a credible long-term procurement pathway and the reliability required for continuous operation. What matters to an investor is how much power can actually reach a site, on what terms, and by when.

The same site-level logic applies beyond electricity. Fibre infrastructure must translate into resilient and sufficiently diverse carrier routes. Industrial land must be large enough for the initial campus and future expansion and have a workable development pathway. Cooling requirements must be compatible with local water and environmental conditions. Grid connection, planning, environmental and construction approvals must also fit within the project timetable. **Infrastructure convergence is therefore not only about what assets exist, but whether they can be assembled at the required scale and speed.**

The six locations identified in this report illustrate this distinction between infrastructure potential and investment readiness. Each has a credible reason to enter further screening, but each also has a material information gap. In some cases, the central uncertainty is firm power and connection timing; in others it is the availability of suitable land, high-capacity grid access, fibre redundancy or supporting infrastructure. None should therefore be interpreted as an investment-ready site on the basis of public information alone. The more important finding is that public evidence is sufficient to identify specific infrastructure propositions and, equally importantly, to define what must be verified next.

For investors, this changes the sequence of site selection. Country-level indicators can narrow the search, but the next stage must test a much more specific proposition: the amount and timing of firm power, reinforcement requirements and connection costs, long-term electricity procurement, fibre resilience, land and expansion potential, cooling conditions and the development timetable. These are the factors that determine whether regional infrastructure potential can become an investable data-centre project.

For governments, transmission operators, industrial-zone developers and investment agencies, the implication is equally practical. Promoting national generation capacity, renewable potential or available industrial land is not enough. Large data-centre investors increasingly need **site-level evidence**: how many MW can be connected, where and when; what reinforcement may be required; whether resilient fibre and suitable land are available; how cooling can be supported; and whether permitting and development can proceed within a credible timetable. Locations able to assemble and document this information may strengthen their investment proposition even before a mature data-centre cluster has emerged.

The analysis does not point to Southeast Europe emerging through a single data-centre hub. Its opportunity is more distributed: a network of locations where energy infrastructure, digital connectivity, scalable land and viable development pathways can converge. In this emerging geography, the decisive advantage may not belong to the country with the most installed power or the largest existing digital market, but to the locations that can demonstrate the **shortest credible path from available infrastructure to usable power and an operational data-centre campus**.