

Maximising the Data Centre Opportunity: A Playbook for Policymakers



**Asia-Pacific Data
Centre Association**



APDCA

Asia-Pacific Data Centre Association

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About the APDCA

The APDCA brings together leading commercial data centre operators in the Asia-Pacific to shape policy pathways and drive informed discussion about the systems and infrastructure needed to build a secure and sustainable digital future.

Our members share the collective pursuit of strengthening modern, diversified, and resilient economies built on data, innovation, and ideas, through the development of a competitive market of future-proofed facilities and services.

The members of the APDCA represent leading global data centre operators, including AirTrunk, Amazon Web Services (AWS), Digital Realty, EdgeConneX, Equinix, Global Switch, Meta, NTT Global Data Centers, Princeton Digital Group, STACK Infrastructure, STTGDC, and Vantage.

Executive Summary

Asia-Pacific is entering a period of unprecedented growth in data centre investment. Growth in demand for cloud, AI, and digital services is underpinning a large-scale influx of capital into the region.

For policymakers across the region, attracting investment and building out data centre capacity is a critical enabler of their ambitions for economic development. From Malaysia's [aspiration](#) to become an AI Nation by 2030, to Japan's [ambition](#) to be the world's most AI-friendly country, to Singapore's renewed [focus](#) on AI through the Economic Strategy Review and the [refreshed](#) priorities under the National AI Strategy, policymakers are positioning AI as a strategic national priority. Data centres and compute infrastructure are fundamental to realising these ambitions. AI workloads require purpose-built, high-density compute capacity that only data centres can provide at scale. The pace at which a country can deploy AI across its economy, public services, and strategic sectors is closely tied to the pace at which it can build out the underlying digital infrastructure that supports it.

Meeting projected demand for digital infrastructure across APAC could require approximately [US\\$800 billion](#) by 2030, including expenditure on land, facilities, power infrastructure, and compute equipment. Recent multi-billion-dollar acquisitions, equity investments, and greenfield developments demonstrate both the scale of capital available and the intensity of competition to attract it.

This capital is highly mobile. Investment will increasingly favour markets that provide policy certainty, timely approvals, reliable infrastructure planning, and clear pathways for long-term growth. The choices governments make today will therefore shape not only future investment, but also the compute capacity on which their AI ambitions depend.

For policymakers, however, attracting this investment is only part of the challenge.

Data centre development must be balanced with responsible energy planning, grid modernisation, environmental sustainability, and community expectations. These are not uniquely regional issues – every major market is grappling with them – and international experience suggests they are best addressed proactively, before infrastructure constraints become binding.

In APDCA's engagement with governments across the region, one message has emerged consistently: policymakers want practical examples of how other jurisdictions have approached these challenges and what lessons can be adapted to their own circumstances. This playbook is APDCA's response to that request. Drawing on the experience of members that plan, finance, build, and operate data centres across multiple markets, it provides a practical reference point that governments can adapt to their own priorities, constraints, and stage of development.

While every market starts from a different position, APDCA members' experience points to one consistent lesson: success requires concerted focus at senior levels of policymaking and coordinated action across a range of stakeholders. Reflecting that experience, this playbook is organised around three practical pillars:

- **Plan** – Build the evidence base and institutional capability needed to support long-term data centre development.
- **Provision** – Create the conditions that enable investment through efficient planning, reliable infrastructure and supportive policy frameworks.
- **Partner** – Collaborate with industry and other stakeholders to build skills, foster innovation, strengthen public confidence and continuously improve policy as the sector evolves.

Several governments and international organisations have begun developing

frameworks to guide the growth of AI and digital infrastructure. Examples include India's [Playbook](#) for Advancing Resilient AI Infrastructure, the [European](#) Union's AI Continent Action Plan, [Finland's](#) National Roadmap for Data Centres, and [Singapore's](#) Green Data Centre Roadmap.

This playbook is intended to provide a practical complement to those efforts. It sets out, step by step, the policy decisions involved in developing a data centre sector, in a form that governments can work through and adapt. Each step

draws on our shared experience as operators of markets that have already faced these decisions, and on our first-hand view of how policy settings shape where investment goes. It is, to our knowledge, the first resource of this kind developed for the Asia-Pacific region.

APDCA intends for the playbook to remain a living resource. We will keep updating it as the sector evolves and will work closely with government partners to apply the recommendations, ensuring the report provides practical value to the policymaking process.

THE PLAN-PROVISION-PARTNER ROADMAP TO MAXIMISING THE DATA CENTRE OPPORTUNITY



PLAN

Build the evidence base, coordinate government and prepare for future demand

1



Step 1: Forecast demand and map infrastructure constraints

Understand where future demand will emerge and identify the infrastructure needed to support it

2



Step 2: Assemble a core data centre policy team

Bring together the agencies needed to coordinate policy, infrastructure and investment decisions

3



Step 3: Streamline permitting and approval processes

Make approvals faster, clearer and more predictable

4



Step 4: Remove barriers to accessing clean energy

Expand practical pathways for data centres to procure reliable, affordable and clean electricity

5



Step 5: Create enabling conditions for faster grid connection

Plan networks ahead of demand and improve the efficiency and transparency of connection processes

6



Step 6: Build a competitive environment for long-term investment

Provide the policy certainty, investment settings and facilitation needed to attract capital

7



Step 7: Develop a shared roadmap for sustainable data centre growth

Align with industry around a shared framework for sustainable growth



PROVISION

Create the policy, infrastructure and market conditions that enable investment

8



Step 8: Invest in talent and supply chain development

Develop the workforce, suppliers and innovation ecosystem needed for sustained growth

9



Step 9: Engage the community to build public trust

Strengthen social licence through early and constructive engagement and building a strong public evidence base

10



Step 10: Track metrics and adapt policy as the sector evolves

Monitor outcomes, learn from experience and refine policy as technologies and markets change



PARTNER

Work with industry, communities and other stakeholders to maximise long-term value

Introduction

This playbook is a practical guide for governments seeking to develop competitive, sustainable, and resilient data centre infrastructure. It sets out the sequence of policy decisions that governments typically face as data centre footprint grows – from early demand forecasting and institutional design, through permitting, energy, and investment frameworks, to community engagement and long-term policy adaptation – and draws together the lessons of markets that have already worked through them.

It is intended for policymakers in jurisdictions at every stage of developing their data centre footprint. Some governments are laying the foundations to attract their first major investments, others are managing the pressures of rapid growth, while more mature markets are focused on optimisation, sustainability, and long-term resilience. Rather than prescribing a single pathway, the playbook is designed so that governments can draw on the guidance most relevant to their own priorities, governance arrangements, and stage of development.

Why digital infrastructure matters for national competitiveness

Asia-Pacific is emerging as one of the world's most dynamic regions for data centre development. AI adoption, cloud computing, and enterprise digitisation across sectors are generating unprecedented demand for digital infrastructure. By 2030, APAC is projected to account for around [a third of global data centre demand](#), and regional capacity grow from approximately 32 GW in 2025 to 57 GW within the same time frame, with AI training and inference workloads accounting for an increasing share.

As a result, data centres are increasingly recognised as essential strategic infrastructure. They underpin cloud services, AI deployment, digital government, enterprise transformation, and the everyday digital services on which individuals and businesses rely. A country's ability to realise its broader digital and AI ambitions is therefore closely linked to the availability, resilience, and competitiveness of its data centre ecosystem.

The pace of growth also means that decisions cannot easily be deferred. Data

centres are long-lived infrastructure assets, often planned and operated over decades, while the supporting energy, water, and transmission infrastructure required to serve them can take many years to develop. Decisions relating to site selection, energy procurement, grid planning and cooling technologies will therefore shape patterns of land use, infrastructure development, and resource consumption well beyond individual projects.

At the same time, investment is increasingly mobile. Jurisdictions compete not only on access to land and power, but also on policy certainty, efficient approvals and the ability to support sustainable long-term growth. The policy environment for digital infrastructure is therefore becoming an increasingly important component of national competitiveness, shaping where investment flows, how quickly new capacity can be deployed and the extent to which that investment supports wider economic, digital and AI ambitions.

“Energy and digital access will define the region’s future. These two build the systems Asia and the Pacific need to grow, compete, and connect. By linking power grids and digital networks across borders, we can lower costs, expand opportunity, and bring reliable power and digital access to hundreds of millions of people.”

– Masato Kanda, President, Asian Development Bank

A practical playbook for the Asia-Pacific region

This playbook grew out of a consistent theme in APDCA's conversations with governments across the region – policymakers are looking not just for broad principles, but for concrete examples of how other jurisdictions have handled similar challenges, in a form they can put to practical use.

A growing body of guidance already exists. Some frameworks set out national strategies for developing data centre sectors. Others address data centres within broader AI, digital economy, or infrastructure strategies, while industry-focused playbooks tend to concentrate on how operators design, build, and power facilities.

This playbook serves a different purpose. It is a practical guide for national and sub-national policymakers, as well as officials across the wider policy ecosystem seeking to strengthen national competitiveness, AI readiness and digital infrastructure capacity by creating the conditions for sustainable data centre investment and growth. Building on international examples of good practice, it is organised around ten policy steps that reflect the decisions governments typically encounter as their sectors develop. Each step combines lessons from jurisdictions that have already faced these issues with implementation considerations and diagnostic questions that policymakers can use to assess their own position.

The playbook is organised around three pillars: **Plan**, **Provision**, and **Partner**.

- **Plan** – Build the evidence base and institutional capability needed to support long-term data centre development.
- **Provision** – Create the conditions that enable investment through efficient planning, reliable infrastructure and supportive policy frameworks.
- **Partner** – Collaborate with industry and other stakeholders to build skills, foster innovation, strengthen public confidence and continuously improve policy as the sector evolves.

The three pillars provide a structured framework for navigating the interconnected decisions involved in developing digital infrastructure, rather than a rigid sequence. In practice, many policy workstreams will progress simultaneously, and governments will need to revisit earlier decisions as technologies evolve, market conditions change, and policy priorities shift.

The relative priority of individual steps will nevertheless evolve as markets mature. The framework below illustrates how policymakers' priorities may shift from establishing the foundations for investment, to enabling and managing growth, and ultimately optimising for long-term value. Some cross-cutting priorities, including sustainability, community engagement and public-private collaboration, remain important throughout.

How to use the playbook

The 10 policy steps are relevant for all markets, but the relative priority and sophistication of different interventions will evolve as the market develops.



A common goal

Build competitive, sustainable and resilient digital infrastructure that supports national competitiveness, AI readiness and long-term value.

	 1. ESTABLISH THE FOUNDATIONS Lay the groundwork for investment	 2. ENABLE AND MANAGE GROWTH Scale infrastructure and address emerging challenges	 3. OPTIMISE FOR LONG-TERM VALUE Maximise broader economic and societal benefits
MARKET CONTEXT	Emerging sector / seeking first wave of investment	Rapid investment and capacity growth	Established, increasingly sophisticated market
KEY FOCUS	Understand demand and establish credible conditions for investment	Ensure infrastructure and policy frameworks can keep pace with demand	Enhance competitiveness, resilience and long-term sustainability
GREATER EMPHASIS (Examples)	- Forecast demand and map infrastructure constraints - Assemble a core policy team - Streamline permitting and approvals (basic framework) - Plan for grid connections - Create an attractive investment environment	- Streamline permitting and approvals (at scale) - Enable access to clean energy - Accelerate and enhance grid connections - Strengthen investment frameworks - Develop a roadmap for sustainable development - Invest in talent and supply chain development - Build community engagement and public trust into project development	- Advance sustainability and innovation - Deepen talent and ecosystem development - Strengthen community engagement and social licence - Track metrics and adapt policy as the sector evolves
CROSS-CUTTING PRIORITIES (Important at all stages)	 Sustainability Integrate environmental considerations from the outset, with increasing ambition over time.	 Community engagement Engage early and continuously to build public trust and local benefit.	 Public-private collaboration Work with industry and other stakeholders across the policy lifecycle.
OUTCOME	 A clear, investable foundation for digital infrastructure	 A well-functioning ecosystem that can scale with demand	 Long-term competitiveness and broad national value



This is not a rigid sequence. Governments should consider all 10 policy steps from the outset, particularly where infrastructure has long lead times. However, the relative emphasis placed on each step — and the sophistication of the policy response — will evolve as the market matures.

Ultimately, the objective of this playbook is to provide a practical reference that governments can adapt to their own circumstances, informed by comparative experience from across Asia-Pacific and globally, as well as by the experience of APDCA members working alongside governments, utilities, regulators, and communities across the region.

As the sector continues to evolve, APDCA intends this playbook to remain a living resource, updated to reflect emerging

technologies, new policy approaches, and lessons from governments and industry across the region. The Association will continue engaging with governments across the region through bilateral dialogue, workshops, and regional policy forums to understand emerging priorities, share practical experience, and identify new examples of good practice. Insights from these engagements, together with evolving technologies and policy developments, will inform periodic updates to the playbook so that it remains relevant to policymakers as the sector continues to mature.

Plan: Laying the foundations

Effective data centre policy is typically built on a robust understanding of how demand is likely to evolve and where infrastructure constraints may emerge, together with institutional arrangements that enable coordinated decision-making. Together, these provide a stronger basis for long-term infrastructure planning and greater certainty for investors.

The Plan pillar is organised around these two foundations:

- Step 1 focuses on **building the evidence base for policy**. It examines how governments can forecast future demand, identify infrastructure constraints, and understand where growth is most likely to occur so that supporting infrastructure can be planned ahead of need.
- Step 2 focuses on **institutional capability**. It explores how governments can establish clear leadership, define responsibilities across agencies and levels of government, and create effective coordination mechanisms for a sector that spans digital infrastructure, energy, water, planning, investment, and environmental policy.

These foundations are particularly important for governments seeking to establish or expand a data centre market, but should continue to be revisited as demand evolves.

Step 1: Forecast demand and map infrastructure constraints

Forecasting future demand an important starting point for effective long-term planning. Understanding where data centre growth is likely to emerge, what infrastructure will be required to support it, and where constraints may arise allows governments, utilities and investors to prepare ahead of demand. While forecasting data centre demand is inherently uncertain, governments today have access to a much richer set of data than in the past. Connection enquiries, utility planning data, land availability, investment pipelines, AI adoption trends, cloud demand, and ongoing engagement with industry can together provide a sufficiently robust evidence base to inform long-term infrastructure planning. The objective is not to direct investment to particular locations, but to understand where growth is most likely to occur so that governments, utilities and investors can plan supporting infrastructure and policy settings ahead of demand.

In practice, effective forecasting typically involves three complementary actions:

- Forecast the scale, type and location of future demand, drawing on

industry engagement and multiple sources of market intelligence.

- Map the infrastructure and resource conditions that will determine where future growth can be accommodated.
- Use these insights as a shared planning tool across government, helping to coordinate infrastructure investment, land-use planning and wider digital economy priorities.

Forecast the scale, type and location of demand

Effective forecasting involves understanding not only *how much* capacity is likely to be required, but also *what kind* of infrastructure will be needed and *where* future demand is most likely to emerge.

Different workloads can have very different infrastructure requirements. AI training facilities typically require significantly higher power densities and may place different demands on energy, water and connectivity systems than traditional cloud, enterprise or colocation facilities. It is also important to distinguish between the underlying sources

of demand – including enterprise AI adoption, consumer-facing AI services, cloud migration and digital government initiatives – as these trends are likely to influence both where capacity is required and the supporting infrastructure that will be needed. Forecasts that focus solely on aggregate capacity growth may therefore miss important planning signals.

Equally important is understanding *where* demand is most likely to materialise. Data centre customers, particularly those supporting cloud services and AI inference workloads, often require facilities to be located close to major population centres and business hubs to meet latency, resilience, and connectivity requirements. Developing a more granular understanding of both the scale and shape of future demand can help governments and infrastructure providers plan more effectively for the growth ahead.

Increasingly, governments and infrastructure providers are also drawing on specialist forecasting tools to supplement their own planning. For example, DC Byte's [Australian Data Centre Forecast](#) combines information on announced developments, operator pipelines, power availability, land supply, customer demand and wider market trends to project future capacity across Australia's major data centre markets. While no model can predict every investment decision, this type of evidence-based forecasting provides a stronger foundation for planning electricity, transmission, water and digital infrastructure than relying solely on historical demand trends.

Forecasting is also strengthened by distinguishing between prospective investment interest and projects with a credible pathway to delivery. The case study below illustrates how Australian utilities have adapted their forecasting approaches to make this distinction.



Distinguishing real demand from phantom demand

Connection applications, land reservations, and grid access requests can provide valuable signals about future investment interest and emerging infrastructure requirements. However, these indicators do not always translate directly into built capacity. Some projects may not proceed, while others may be submitted across multiple locations or utility territories before a final investment decision is made. As a result, demand signals should be interpreted carefully and supplemented with ongoing engagement with industry and infrastructure providers. These signals are most useful when treated as planning inputs to identify future infrastructure needs and preserve optionality, rather than as precise forecasts of future development.

Australia [illustrates](#) how forecasting frameworks can be adapted to make this distinction. By 2024, the Australian Energy Market Operator (AEMO) had received approximately 4 GW of enquiries for large data centre connections in Victoria, while AusNet's, the largest diversified energy network business in Victoria, had an excess of 10 GW of prospective transmission-connected data centre demand in its own pipeline. Recognising that traditional forecasting approaches were not well suited to the pace and characteristics of data centre development, AusNet proposed a dedicated forecasting framework tailored specifically to the sector. Rather than treating all connection enquiries equally, the framework assesses projects against objective indicators of development progress across five categories: land acquisition, grid connection, planning approvals, construction readiness, and financing. Projects are then classified according to their stage of maturity, ranging from "publicly announced" through to "committed".

The approach was designed to provide utilities and policymakers with greater visibility over demand that is genuinely likely to materialise, while enabling them to anticipate future infrastructure requirements before capacity constraints emerge.

The Australian experience highlights an increasingly important lesson for governments and infrastructure providers: in rapidly growing markets, connection requests and public announcements can provide valuable signals of future demand, but forecasting frameworks may need to evolve to distinguish between prospective interest and projects that have demonstrated a clear pathway to delivery.

Map infrastructure and resource constraints

Forecasting demand is only one side of the equation. Governments also benefit from understanding the infrastructure and resource conditions that will determine where future growth can be accommodated. Typical considerations include:

- Electricity generation, transmission and distribution capacity;
- Water availability and other shared resource constraints;
- Fibre connectivity and digital infrastructure;
- Suitable industrial land and zoning conditions; and
- Exposure to climate and natural disaster risks.

Together, these factors determine the suitability of different locations for data centre development and help identify bottlenecks before they become binding constraints. Making this information more transparent can support investment decisions while enabling more integrated planning across the land-energy-water nexus.

Early infrastructure mapping is particularly important because supporting infrastructure often takes much longer to deliver than the data centres themselves. While new facilities may be planned and constructed within a few years, transmission upgrades, substations, and water infrastructure frequently require much longer lead times. Governments that begin forecasting and mapping early are therefore better placed to identify constraints and ensure supporting infrastructure is delivered in time.

Japan illustrates how governments can bring together energy and digital infrastructure planning. In 2025, the government launched the [Public-Private Advisory Council on Watt-Bit Collaboration](#), led jointly by the Ministry of Economy, Trade and Industry (METI) and the Ministry of Internal Affairs and Communications (MIC), to plan electricity and telecommunications infrastructure in step with anticipated data centre growth. The council brings together government and industry to identify where future demand is likely to emerge and what power and connectivity infrastructure will be needed to serve it.

Use forecasts as a shared planning tool

Forecasts are most valuable when they become a shared planning input across government rather than remaining within a single agency or being updated only for individual projects. This allows a common evidence base to inform decisions on electricity infrastructure, industrial land, investment promotion, skills development and AI strategy, helping different parts of government plan against the same baseline.

Equally important is keeping forecasts current as market conditions change. Data centre demand can evolve rapidly in response to advances in AI, new investment announcements, electricity availability and changing customer requirements. Periodic updates, informed by ongoing engagement with operators, utilities and other stakeholders, allow governments to refine infrastructure priorities and adjust policy settings as new information becomes available.

Finally, forecasting is most useful when it reflects regional differences within a country. Demand and infrastructure readiness are rarely distributed evenly across national borders, and allowing forecasts to be refined

at the regional level enables infrastructure investment and land-use planning to respond to local conditions while remaining aligned with broader national priorities.

Checklist for policymakers – forecasting demand and mapping infrastructure constraints

- ☐ Has future data centre demand been forecast by workload type, project maturity and geographic location?
- ☐ Have areas of likely demand been mapped alongside key enabling infrastructure, including electricity, water, land and fibre connectivity?
- ☐ Have prospective demand signals (such as connection applications) been distinguished from projects with a high likelihood of completion to avoid "phantom demand" effects?
- ☐ Is infrastructure mapping conducted in an integrated way across the land-energy-water nexus rather than in silos?
- ☐ Does forecasting extend sufficiently far ahead to inform long-lead infrastructure investment, such as transmission and water infrastructure?
- ☐ Are forecasts regularly updated and used as a shared planning input across government to inform infrastructure investment, land-use planning and wider digital economy priorities?

Step 2: Assemble a core data centre policy team

Forecasting demand and mapping infrastructure provide the evidence base for policy, but translating those insights into effective delivery will require close coordination across government. Data centre development spans multiple policy domains – including digital infrastructure, energy, water, planning, environment, investment promotion, and economic development – and responsibilities are often shared across ministries, regulators, utilities, and sub-national authorities.

Many jurisdictions have therefore established dedicated coordination mechanisms to bring these responsibilities together. Whether through a dedicated digital infrastructure unit, an inter-ministerial committee, or a cross-government task force, the objective is the same: to provide clear leadership, align decision-making across agencies, and give investors a more coherent interface with government.

Establish a clear coordination mechanism

Many jurisdictions have established dedicated coordination mechanisms to bring together the agencies responsible for digital infrastructure, energy, planning and investment. While institutional arrangements differ across countries, successful models typically provide a recognised focal point for policy development and have sufficient authority to convene utilities, regulators, planning authorities and other relevant agencies.

Malaysia's Data Centre Task Force (DCTF) illustrates this approach in a federal system. Jointly led by the Ministry of Investment, Trade and Industry and the Ministry of Digital, the DCTF is responsible for coordinating policy across planning, investment approvals, and infrastructure development. The Malaysian Investment Development Authority (MIDA) has since been designated as the principal agency for evaluating and approving new data centre

projects, while the DCTF's membership has expanded to include state governments,

strengthening coordination across different levels of government.

"With clear and consistent policies, Malaysia has successfully attracted and increased data centre investments. Data centres are crucial drivers of the digital economy. Accordingly, the Sustainable Data Centre Framework will ensure that data centre development policies and implementation are comprehensively coordinated. Transparent and decisive policies are essential to continue reassuring investors about the nation's sustainable digital economic growth goals ."

– Zafrul Abdul Aziz, Chairman, Malaysian Investment Development Authority

In Singapore, the Economic Development Board (EDB) and the Infocomm Media Development Authority (IMDA) jointly lead the sector, working closely with the agencies responsible for energy, water, and planning. Together, they administer the allocation of new data centre capacity and oversee the implementation of the Green Data Centre Roadmap. Although Singapore's city-state governance model simplifies coordination, the underlying principles – clear responsibilities, strong convening authority, and structured collaboration across agencies – are applicable across a wide range of governance systems.

Clearly define responsibilities

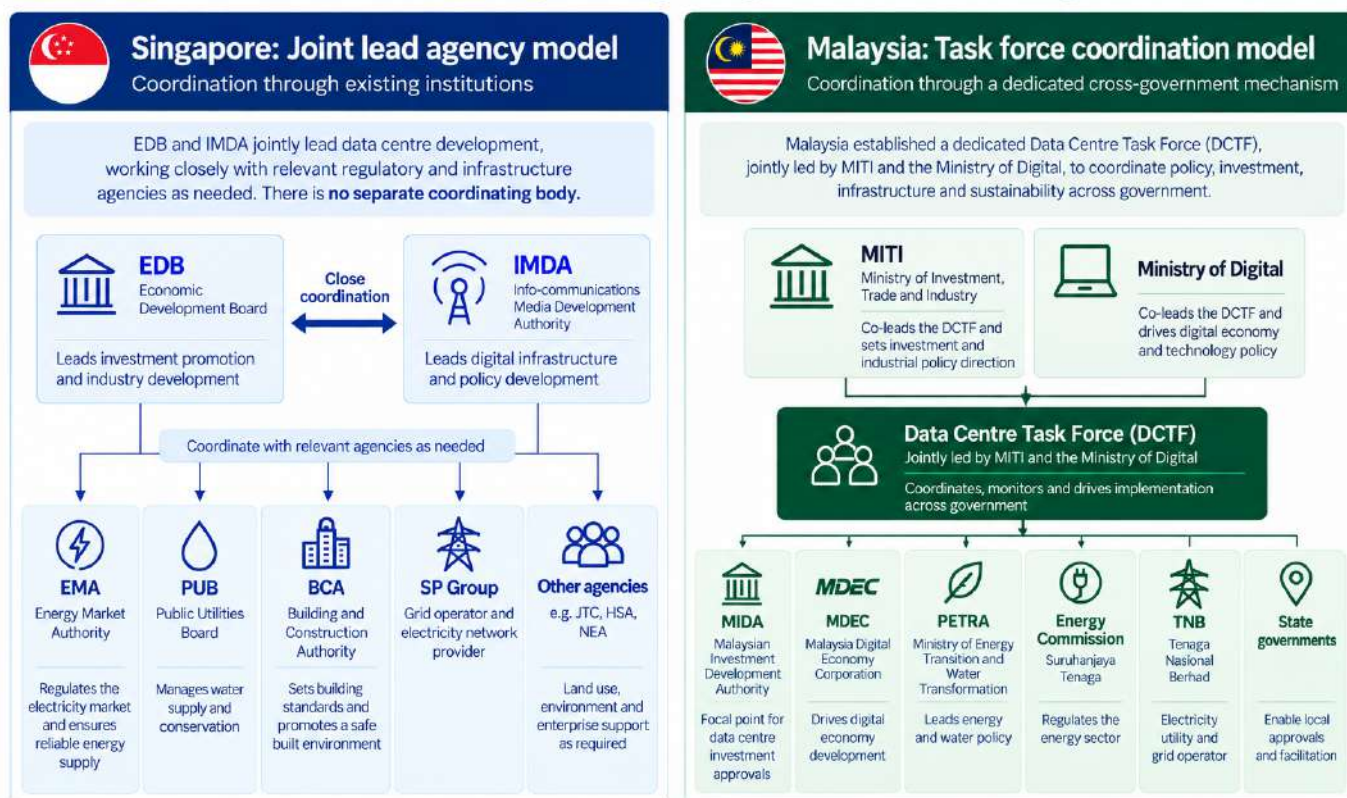
Beyond establishing a coordinating body, clarity over roles and responsibilities is often the most important determinant of effective delivery. Data centre development typically requires decisions across multiple levels of government, particularly in federal or decentralised systems where responsibility for energy, land use, environmental approvals and investment promotion is shared. Clearly allocating responsibilities

between agencies and levels of government helps reduce duplication, improve accountability and provide more consistent signals to investors.

Maintain coordination as the sector evolves

Coordination arrangements also need to evolve alongside the sector. As investment grows and new issues emerge – such as AI-driven electricity demand, water management or workforce development – the agencies involved and the relationships between them may also need to adapt. Japan's [Public-Private Advisory Council on Watt-Bit Collaboration](#), for example, brings together ministries, utilities and industry to coordinate electricity and telecommunications planning in response to projected AI and data centre growth. Its public-private structure also enables infrastructure planning to be informed by operational expertise and anticipated investment demand. Similarly, Malaysia's expansion of the DCTF to [include](#) state governments reflects how coordination arrangements can evolve as policy priorities become more complex.

Countries can coordinate data centre development through existing institutions or a dedicated cross-government mechanism



Checklist for policymakers – assembling the core data centre policy team

- ☐ Is there a clearly identified lead agency or coordination mechanism for the data centre sector?
- ☐ Does the lead agency have the authority and standing to convene utilities, regulators and other relevant agencies?
- ☐ Are roles and responsibilities clearly defined across national and sub-national authorities?
- ☐ Do coordination arrangements bring together the agencies responsible for digital infrastructure, energy, water, planning, investment and environmental policy?
- ☐ Are governance arrangements reviewed periodically to ensure they remain fit for purpose as the sector evolves?
- ☐ Are formal mechanisms in place for ongoing engagement with industry, academic institutions and other stakeholders?



PLAN

Laying the Foundations

Build the evidence, institutions and coordination needed to support long-term data centre development.

STEP 1 FORECAST DEMAND & MAP INFRASTRUCTURE CONSTRAINTS



Forecast future demand

- Forecast the scale, type and location of future demand
- Distinguish AI, cloud, enterprise and colocation workloads
- Draw on industry engagement and market intelligence



Map infrastructure & resource constraints

- Electricity
- Water
- Fibre connectivity
- Industrial land
- Climate risks



Use forecasts as a shared planning tool

- Coordinate infrastructure investment
- Inform land-use planning
- Support AI & digital economy strategies
- Update forecasts as markets evolve

STEP 2 ASSEMBLE A CORE DATA CENTRE POLICY TEAM



Establish a coordination mechanism

- Designate a lead agency
- Establish a cross-government task force or inter-ministerial committee
- Provide a clear convening authority



Clearly define responsibilities

- National and sub-national roles
- Utilities
- Regulators
- Planning authorities



Maintain coordination as the sector evolves

- Review governance arrangements
- Adapt to new policy priorities
- Ongoing industry engagement
- Ensure cross-government coordination

Provision: Putting in place the policy framework

With the foundations in place, governments can turn to the policy frameworks that provide certainty for investors and support the sector's responsible growth.

The **Provision** pillar focuses on two priorities:

- **Delivering speed-to-power.** "Speed-to-power" – the time required for a project to move from site selection to operational status with access to reliable electricity – is consistently cited by operators as one of the most decisive factors in investment decisions. Steps 3–5 examine the three key elements that determine speed-to-power: efficient permitting (Step 3), flexible energy procurement pathways (Step 4), and timely grid connections (Step 5).
- **Supporting long-term investment.** Beyond getting projects built, investors also consider the broader policy environment that shapes long-term investment decisions. Step 6 examines how governments can support investor confidence through stable policies, targeted incentives and effective investment facilitation, while Step 7 considers how sustainability roadmaps can provide a shared direction for the sector's long-term development.

Step 3: Streamline permitting and approval processes

One of the most common barriers to data centre investment is the time and uncertainty associated with permitting. While robust planning and environmental assessment remain essential for major infrastructure projects, lengthy, opaque or poorly coordinated approval processes can delay investment, increase financing costs and make it harder to align construction with customer demand and supporting infrastructure. International experience suggests that faster permitting is not primarily about reducing regulatory requirements, but about making approval processes more coordinated, transparent and predictable.

A common approach is to establish single-window approval mechanisms or other coordinated processes that simplify the developer's interface with government. These arrangements typically retain existing regulatory requirements while reducing administrative complexity. Both Italy and South Korea have recently adopted this approach. Italy's 2026 Data Centre Decree consolidates environmental, planning, heritage, water, emissions and grid connection approvals into a single national authorisation process administered by a designated lead authority. Similarly, South

Korea's AI Data Centre Special Act establishes a one-stop licensing framework that allows operators to submit a single integrated application covering approvals required under multiple laws, while coordinating permitting with the delivery of supporting infrastructure such as power, water and transport. Together, these reforms demonstrate how governments can accelerate project delivery without reducing regulatory oversight.

Some jurisdictions have also designated priority zones where planning and infrastructure assessments are completed in advance. For example, the United Kingdom's [AI Growth Zones](#), selected partly on existing access to power, offer accelerated planning decisions and coordinated grid connections for large AI infrastructure projects.

Governments can also support timely project delivery through dedicated coordination mechanisms once projects are underway. Thailand's [FastPass](#) initiative, introduced in 2025, established cross-government mechanisms to monitor strategically important investments, resolve implementation challenges and coordinate approvals across agencies. The programme

reflects a broader recognition that reducing delays depends not only on efficient

permitting, but also on effective coordination throughout the project lifecycle.

Government approaches to streamlining data centre project delivery

 Italy Single National Authorisation Procedure What it does Consolidates approvals for data centre construction and operation, and incorporates environmental and planning requirements into one coordinated national process Key features Single application and delegated lead authority One point of contact to coordinate the entire process across relevant government bodies Covers multiple approvals Includes EIA, landscape and cultural heritage, near-urban and de-commissioning approvals, as well as grid connection approvals Binding maximum timelines Decision within 12 months, extendable to 13 months only in exceptional cases Shortened environmental timelines Environmental assessment timelines are significantly reduced	 South Korea One-Step Licensing Framework What it does Allows operators to submit one integrated application covering permits and approvals required under multiple laws Key features Integrated application Single application for approvals across multiple laws, reducing bidding permits, power system impact assessments and inter-agency consultations. "Timeout" mechanism Approvals can be deemed complete when agencies do not respond within statutory periods Infrastructure coordination Coordinates permitting with delivery of power, water and transport infrastructure Targeted flexibilities Includes permitting flexibilities for projects outside the Seoul metropolitan area	 Thailand FastPass Coordination Mechanism What it does Creates a dedicated mechanism to monitor strategically important projects, resolve implementation bottlenecks and coordinate government agencies Key features Project monitoring Tracks project progress and identifies potential delays early Resolve bottlenecks Helps resolve common implementation challenges across government agencies Cross-agency coordination Coordinates approvals and other government processes needed to move projects forward. Faster approvals Designed to reduce approval and licensing times by 30–50% for targeted strategic projects
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Checklist for policymakers – permitting framework design

- ☐ Can developers submit a single integrated application, or must they obtain separate approvals from multiple agencies?
- ☐ Is there a designated lead agency responsible for coordinating approvals and serving as the single point of contact for industry?
- ☐ Are timelines published for each approval stage, and are agencies expected to meet them?
- ☐ Is there a formal mechanism to escalate and resolve inter-agency issues once a strategically significant project is underway?
- ☐ Do investors have visibility over the status of applications and the reasons for delays?
- ☐ Are approval processes periodically reviewed using data on permitting timelines and investor feedback to identify recurring bottlenecks?

Step 4: Remove barriers to accessing clean energy

Data centres are large, long-term electricity consumers whose investment decisions depend on access to reliable and affordable power. As AI drives demand for larger, higher-density facilities, governments will

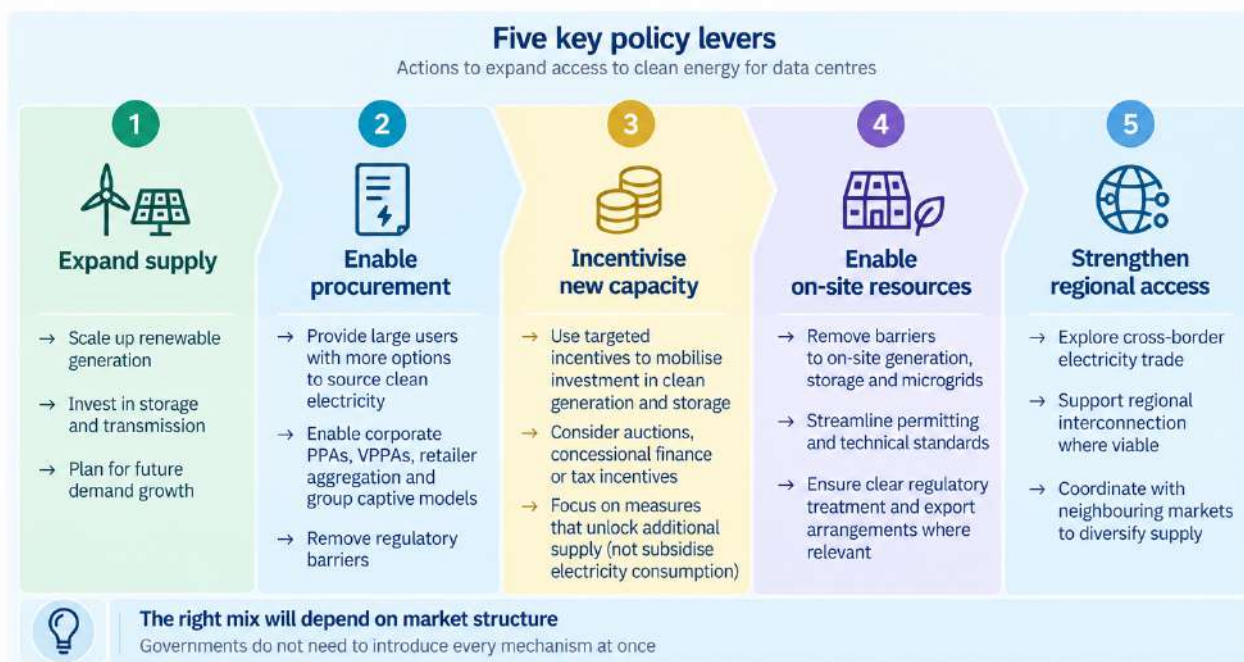
increasingly need to ensure that electricity systems can deliver sufficient reliable capacity while also providing commercially viable pathways for operators that wish to procure clean power. This step focuses on

the latter challenge, while Step 5 considers the complementary question of grid and network capacity.

STEP 4

Remove barriers to accessing clean energy

Governments can take a range of complementary actions to expand and diversify clean energy supply for data centres, depending on market conditions.



Expand the availability of clean energy

Expanding access to renewable energy will require planning clean power supply, grid infrastructure, and future demand together. Governments therefore need to consider how growing electricity demand from AI and digital infrastructure fits within wider energy system planning, alongside demand from other sectors and broader energy transition objectives. In practice, this involves two complementary actions:

- Incorporating future electricity demand, renewable resource availability and grid constraints into long-term energy planning; and
- Coordinating investment in renewable generation, energy storage and transmission infrastructure, rather than planning each component separately.

Japan demonstrates the importance of aligning long-term energy planning with projected demand. Recognising that AI, digital transformation and data centre growth will significantly increase electricity demand, Japan's [7th Strategic Energy Plan](#) and [GX2040 Vision](#) position energy policy, industrial policy and decarbonisation as mutually reinforcing objectives. Rather than treating renewable deployment as a standalone environmental policy, the government frames investment in clean electricity as essential to supporting future industrial competitiveness while maintaining energy security and reducing emissions.

Australia is increasingly coordinating renewable energy development through [Renewable Energy Zones \(REZs\)](#) – designated areas identified through long-term system planning where high-quality renewable resources, transmission capacity

and future electricity demand can be developed together. Rather than allowing renewable projects to connect on a project-by-project basis, REZs coordinate investment in generation, storage and transmission infrastructure so that multiple projects can share common network infrastructure and connect more efficiently to the grid. This coordinated approach helps accelerate renewable energy deployment, reduce network bottlenecks and make more efficient use of transmission investment. When informed by the demand forecasts developed in Step 1, this approach can also help governments and investors identify locations where electricity supply, network capacity and future demand are more closely aligned, reducing pressure on constrained parts of the grid and supporting more efficient infrastructure investment.

Enable multiple procurement pathways

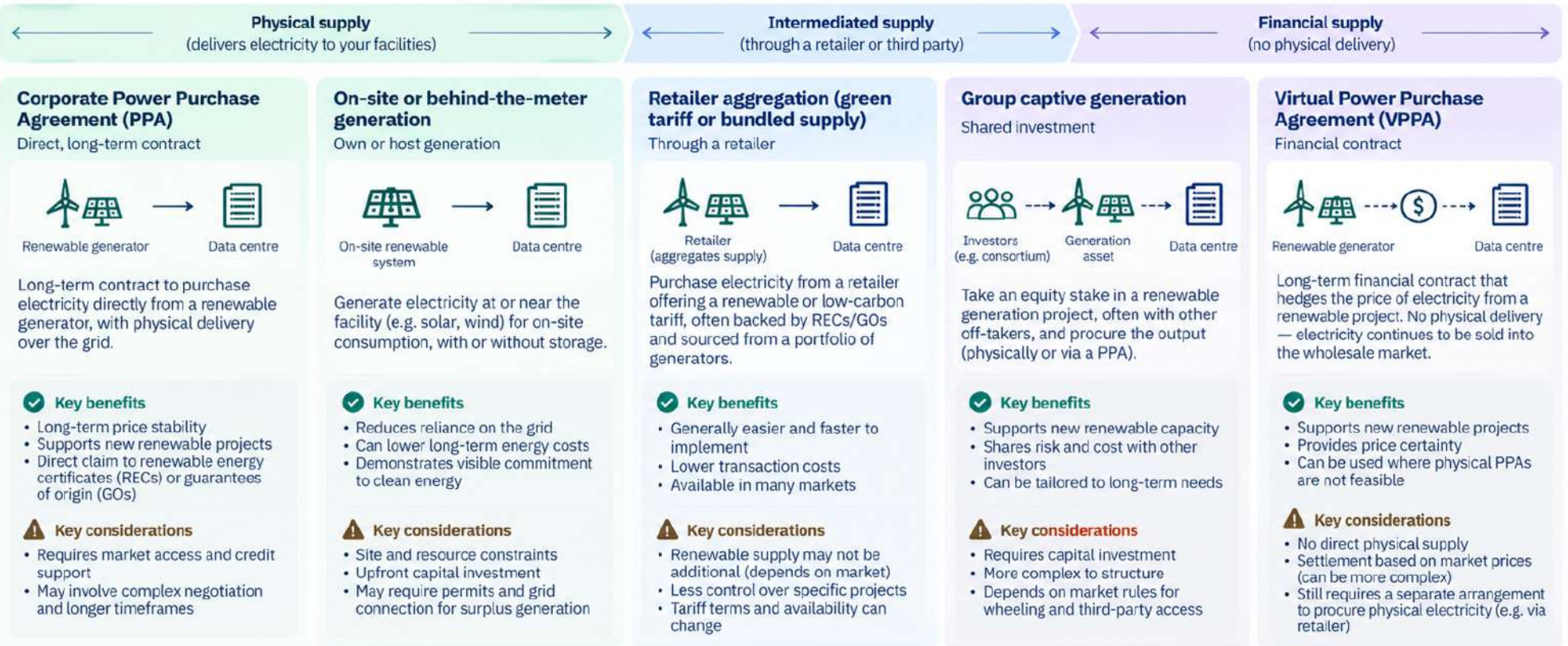
Governments can improve access to renewable electricity by ensuring that large electricity users have commercially viable procurement options. While some electricity markets require large consumers to purchase electricity exclusively through traditional utilities, others permit varying degrees of direct contracting between consumers and generators. Direct procurement allows large electricity users to enter into long-term commercial arrangements with renewable energy developers or suppliers, creating greater certainty for both parties.

However, the existence of procurement mechanisms alone does not guarantee widespread adoption. In many markets, participation can be constrained by complex contract negotiations, credit requirements, regulatory restrictions, or uncertainty over how network charges and other electricity system costs apply. Governments can therefore play an important role by ensuring that procurement frameworks are transparent, predictable and commercially workable. In practice, this involves:

- Reviewing whether existing electricity market rules unnecessarily restrict direct renewable procurement by large electricity users;
- Identifying which procurement models are compatible with the current electricity market structure; and
- Reducing unnecessary regulatory or commercial barriers that limit participation in available procurement arrangements.

Ways data centre operators can access clean electricity

Different procurement models can meet different needs, depending on market structure, regulatory rules and the operator's goals.



The right mix depends on market conditions.

Availability, cost, regulatory rules and corporate goals will influence which models are feasible and most effective.

Governments need not implement every procurement mechanism simultaneously. Malaysia is an example of how power procurement pathways can evolve incrementally – the [Corporate Green Power Programme](#) introduced in 2022 enabled virtual PPAs, while the [Corporate Renewable Energy Supply Scheme \(CRESS\)](#), launched in 2024, introduced third-party access through the national grid. Together, these reforms progressively expanded renewable procurement options without requiring wholesale electricity market liberalisation.

Use targeted incentives to accelerate renewables deployment

Governments can complement efforts to expand renewable energy access with targeted incentives that encourage additional investment in renewable energy generation and supporting infrastructure. These may include competitive renewable energy auctions, feed-in premiums (which provide top-up payments for renewable electricity supplied to the grid), concessional finance (e.g. low-interest loans or government-backed financing), tax incentives, or investment support for battery storage and grid infrastructure.

Well-designed incentives can help address one of the key barriers to renewable energy deployment – the uncertainty around future revenues and project financing. By providing greater predictability over project returns, governments can help renewable energy projects reach financial close and accelerate investment at scale. Introduced in 2014, the UK's [Contracts for Difference \(CfD\)](#) scheme uses competitive auctions to provide renewable generators with a guaranteed price for electricity over the contract period, reducing exposure to wholesale price volatility. The scheme has supported the development of significant new renewable capacity, including offshore wind, with successive auction rounds helping to attract investment and reduce costs over time.

Where incentives are directed towards large electricity users, they are generally most effective when they expand clean energy

supply – for example, by supporting on-site renewable generation, battery storage or long-term renewable procurement that enables new projects to reach financial close – rather than simply reducing electricity costs. In Australia, the [Clean Energy Finance Corporation](#) has mobilised private investment in renewable generation through concessional finance, while state-level programmes have supported businesses investing in renewable energy and energy efficiency. Experience also highlights the importance of implementation – co-funding requirements, restrictive eligibility criteria and lengthy administrative processes can all reduce the effectiveness of otherwise well-designed incentive schemes.

Provide enabling regulatory frameworks for on-site energy systems and microgrids

Data centre operators are increasingly exploring behind-the-meter energy systems, including microgrids – local electricity systems that combine on-site generation, energy storage and energy management technologies to provide greater control over how electricity is produced, stored and used. These systems can include technologies such as solar generation, battery storage, lower-carbon backup generation and other distributed energy resources. For data centres, they can improve operational resilience, manage electricity costs and provide greater certainty over power supply for mission-critical facilities, while also supporting wider grid reliability where appropriate.

As these technologies become more widespread, governments may wish to review whether existing regulatory frameworks continue to support their deployment. Many electricity frameworks were designed around a traditional model where consumers primarily purchase electricity from the grid, rather than actively generating, storing, managing or exporting electricity. This can create challenges for newer configurations, particularly where battery storage and other distributed energy resources do not fit neatly within existing regulatory categories. Areas for consideration include:

- Simplifying permitting and licensing requirements for on-site generation, battery storage and microgrid deployment where these create unnecessary barriers;
- Ensuring technical standards and grid connection requirements support the efficient integration of battery storage and other distributed energy resources;
- Clarifying how battery storage is treated within electricity market and regulatory frameworks, including how storage assets are classified for purposes such as licensing, tariffs, network charges and market participation; and
- Establishing clear and commercially workable arrangements for exporting surplus electricity to the grid, where appropriate.

Malaysia's CRESS [illustrates](#) how governments can explicitly recognise the role of battery storage within renewable energy procurement frameworks. Under CRESS, renewable energy developers may combine solar generation with battery energy storage to provide "firm" renewable electricity, with the framework setting technical requirements for battery capacity and offering more favourable system access charges for projects capable of delivering firm output. By recognising storage as part of the overall procurement framework, CRESS supports greater integration of variable renewable energy while improving the reliability of electricity supplied to large consumers.

Strengthen regional energy cooperation and grid connectivity

Not every jurisdiction possesses sufficient renewable resources to meet future demand domestically. In regions where renewable

resources are unevenly distributed, cross-border energy cooperation will be increasingly important to ensure that growing electricity demand can be met reliably and sustainably. This challenge is particularly relevant in Southeast Asia, where data centre investment is accelerating while countries continue to transition away from fossil fuel-based power systems.

Governments can support this through cross-border grid interconnections and electricity trade arrangements. The [ASEAN Power Grid](#) illustrates the potential of regional cooperation to expand access to renewable energy resources. For land-constrained markets such as [Singapore](#), cross-border electricity imports can provide an additional pathway to diversify energy sources and support decarbonisation objectives, while enabling neighbouring countries with stronger renewable resources to contribute to regional energy security.

Regional cooperation complements, rather than replaces, national responsibilities for maintaining reliable electricity systems, expanding generation capacity and strengthening domestic grids. As long-term, predictable electricity consumers, data centres can also help provide the demand certainty needed to support new clean energy investment.

The availability of contracted electricity, however, is only part of the equation. Renewable energy must also be capable of reaching the data centre. The policy frameworks governing transmission capacity and grid connections are therefore equally important. Step 5 examines how governments can strengthen these frameworks to ensure that electricity can be delivered reliably and at the pace required by growing digital infrastructure demand.

Checklist for policymakers – removing barriers to accessing clean energy

- ☐ Have future renewable energy requirements been assessed against projected electricity demand from AI and data centres?

- ☐ Have priority locations for renewable generation, storage and transmission investment been identified?
- ☐ Do electricity market rules provide one or more commercially viable pathways for large electricity users to procure renewable electricity?
- ☐ Have procurement reforms been prioritised based on what can be implemented within the current electricity market structure?
- ☐ Are investment incentives designed to increase renewable generation, storage or grid capacity, rather than simply reduce electricity costs?
- ☐ Have regulatory frameworks for on-site generation and battery storage been reviewed to identify unnecessary permitting, licensing or grid connection barriers?
- ☐ Have opportunities for regional energy cooperation or renewable imports been assessed?

Step 5: Create enabling conditions for faster grid connection

While Step 4 focused on how data centres procure clean electricity, an equally important consideration is how that electricity is delivered. Even where an operator has secured renewable electricity, projects may still be delayed if the transmission and distribution network cannot deliver electricity when and where

it is needed. As demand for AI and digital infrastructure grows, grid connectivity – rather than generation capacity alone – is becoming one of the principal constraints on new investment. Opening new pathways to procure clean electricity will therefore have limited impact unless transmission infrastructure, substations and connection processes keep pace.

STEP 5

Secure long-term grid connectivity

A strategic and transparent approach to grid planning and connection can help ensure that infrastructure keeps pace with demand, while making more efficient use of the grid



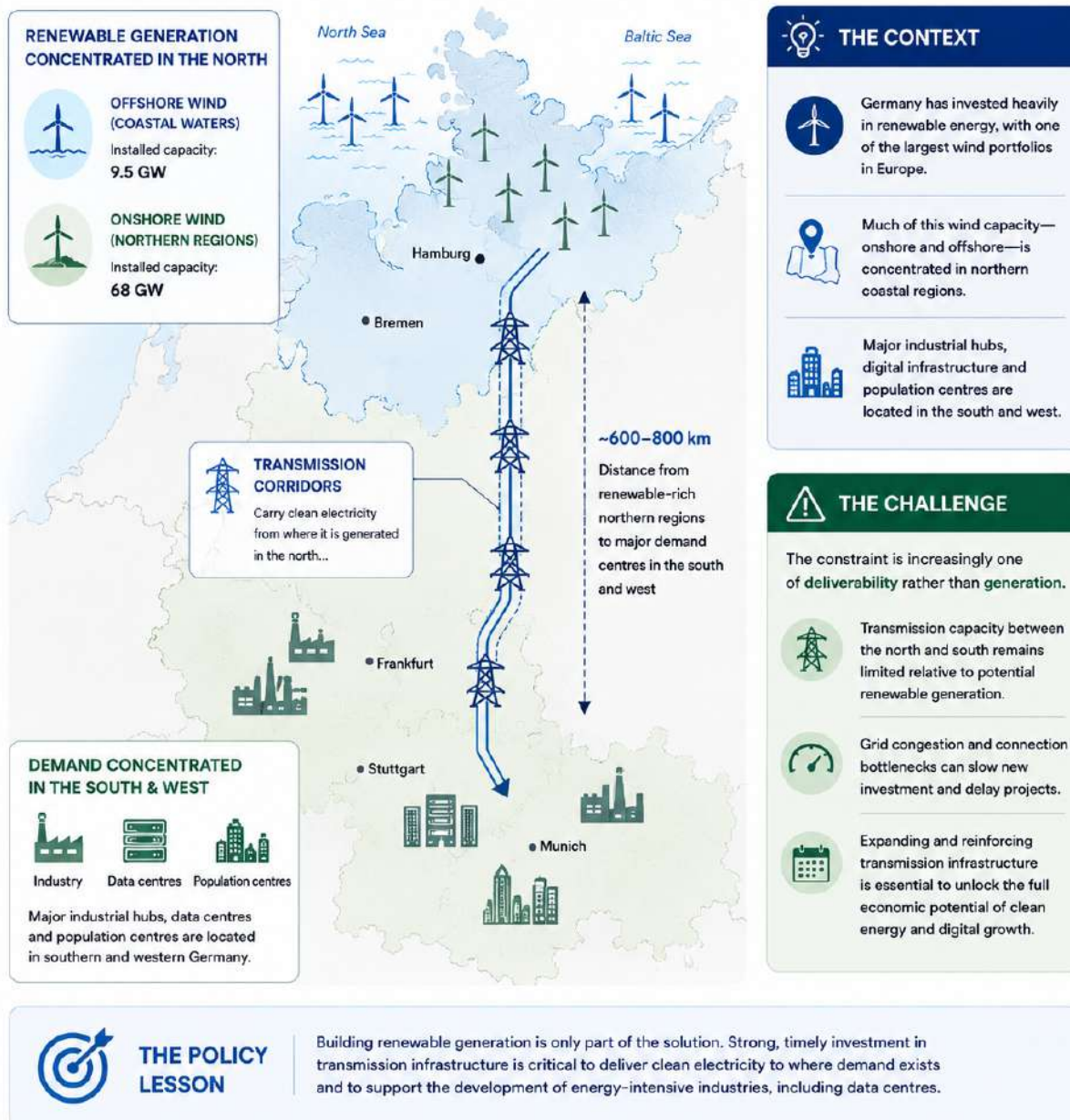
Germany is one example of a country facing this challenge – although it has one of Europe's largest renewable energy portfolios, much of its wind generation is concentrated in the north while major industrial and digital demand centres are located further south. This geographical

mismatch has highlighted the critical role of transmission infrastructure in ensuring that renewable electricity can be delivered to where it is needed, and demonstrates that expanding renewable generation alone is insufficient without corresponding investment in the network.

CASE STUDY: GERMANY

THE GRID CONNECTIVITY CHALLENGE

Germany shows that the challenge is not the availability of renewable energy, but the ability to deliver it to where demand is concentrated.



Plan transmission infrastructure ahead of demand

Transmission and distribution infrastructure typically takes substantially longer to develop than the data centres it serves. While new facilities can often be planned and constructed within a few years, new transmission lines, substations and major network reinforcements frequently require much longer lead times. Forward planning is

therefore essential if electricity networks are to support projected growth in AI and digital infrastructure.

In practice, this involves:

- Incorporating projected data centre demand into long-term transmission and distribution planning;
- Identifying priority locations for future network reinforcement based on

expected demand and available grid capacity; and

- Providing developers with forward-looking information on planned network upgrades to help guide investment decisions.

The demand forecasts and infrastructure mapping developed in Step 1 should therefore feed directly into utility investment planning. In 2025, Japan's METI and MIC [established](#) the Public-Private Advisory Council on Watt-Bit Collaboration, to coordinate electricity and telecommunications infrastructure planning alongside anticipated growth in AI and data centres. Building on this work, several utilities have begun [publishing](#) "welcome zone" maps identifying locations where spare grid capacity already exists or where future reinforcement is planned. These resources provide developers with greater visibility over suitable locations while helping direct investment towards areas that can be served most efficiently.

Create transparent and efficient connection processes

As demand for connections increases, governments and system operators also need transparent and efficient processes for allocating limited network capacity. In many jurisdictions, connection queues have become congested by speculative applications, creating delays and uncertainty for projects seeking to secure timely access to the grid.

Key considerations include:

- Establishing transparent criteria for allocating scarce connection capacity;
- Prioritising projects that demonstrate genuine readiness to proceed;
- Publishing clear information on application requirements, assessment timelines and network upgrade costs; and
- Regularly reviewing inactive or speculative applications to ensure capacity remains available for projects that are likely to proceed.

Rather than relying on "first come, first served" arrangements, several markets are introducing readiness-based approaches that prioritise projects demonstrating genuine progress towards construction. For example, the [United Kingdom's](#) ongoing connection reforms replace the traditional "first come, first served" model with a "first ready and needed, first connected" framework. Under the new approach, projects are assessed not only on their ability to proceed but also on their "strategic alignment", i.e. their contribution to wider system needs. This helps ensure limited network capacity is allocated to projects that are both deliverable and aligned with broader infrastructure objectives.

Transparency is equally important throughout the wider connection process. Investors benefit from clear information on application requirements, assessment timelines, connection milestones, regulatory responsibilities and how the costs of any required network upgrades will be allocated. Providing clarity at an early stage reduces investment uncertainty and enables developers to assess project viability before significant capital is committed. Regular review of inactive applications, clearly published prioritisation criteria and early engagement between developers and network operators can further improve the efficiency of connection processes while ensuring that scarce network capacity is allocated to projects most likely to proceed.

Enable demand-side flexibility where it supports the grid

Alongside investment in transmission and distribution infrastructure, utilities, system operators and regulators are increasingly exploring how demand-side flexibility provided by data centres can complement traditional approaches to grid planning. Advances in workload orchestration, battery storage and thermal management mean that some facilities are increasingly able to adjust aspects of their electricity demand in response to grid conditions without affecting customer service.

Where commercially and technically appropriate, governments can support this by:

- Recognising flexible demand within grid planning and connection processes;
- Enabling voluntary participation in flexibility programmes where consistent with customer service requirements; and
- Supporting common technical standards that allow flexibility to be measured and incorporated into network planning.

Importantly, flexibility should be compatible with the operational requirements of data centre customers. Many cloud, enterprise and mission-critical workloads require continuous, highly reliable access to electricity and cannot tolerate involuntary curtailment. Emerging approaches therefore focus on enabling operators to voluntarily manage flexible portions of their electricity demand – such as certain AI training workloads, battery storage or other non-time-critical processes – while maintaining the service levels expected by customers.

CASE STUDY

Data centres as flexible grid participants

Industry and utilities are demonstrating that AI data centres can reduce or shift electricity demand in response to grid conditions – without disrupting priority workloads – and are developing common standards to scale this approach.

1 A common framework for flexibility

In March 2026, EPRI launched **Flex MOSAIC**, a voluntary framework developed with 65+ utilities, system operators, regulators and technology providers to classify large-load flexibility in common terms.

EPRI

Flex MOSAIC

A common language for large-load flexibility



How quickly a load can respond



For how long it can sustain a reduction



By how much demand can be reduced

Aim: to give utilities, regulators and developers a shared language for flexibility so it can be factored into connection decisions.

“Flexibility is becoming the third leg of the speed-to-power stool, alongside generation and transmission.”

— EPRI

Initial participants are mostly North American and European utilities and system operators, and include Korea Power Exchange (South Korea).

2 Real-world demonstrations

Field demonstrations under EPRI's DCFlex initiative, a multi-company programme running since 2024, are building the evidence base.

United States (Arizona)
Oracle data centre



25% ↓

reduction in cluster power over three hours during a grid-stress event.

United Kingdom
National Grid, Nebius, EPRI, Emerald AI and NVIDIA



Up to 40% ↓

reduction in demand over five days (in Dec 2025), responding to more than 200 simulated grid events, while maintaining critical workloads.

3 Benefits and considerations



Potential benefits

- Can help ease connection constraints
- Improves utilisation of existing network capacity
- Provides system operators an additional tool to manage growing demand
- Supports faster access to power when recognised in planning and connection processes



Important considerations

- Not a substitute for long-term investment in transmission and distribution infrastructure
- Flexibility should be voluntary and compatible with customer service requirements
- Many mission-critical workloads require continuous, highly reliable power and cannot tolerate involuntary curtailment



The way forward

- Further demonstrations across markets to build evidence
- Develop and adopt common technical standards
- Recognise flexible demand in grid planning and connection processes where appropriate

Checklist for policymakers – creating enabling conditions for faster grid connection

- ☐ Are projected data centre demand forecasts incorporated into long-term transmission and distribution planning?
- ☐ Have priority locations for network reinforcement been identified and communicated to developers?
- ☐ Are grid connection processes supported by transparent application requirements, timelines and cost allocation arrangements?
- ☐ Are connection queues managed using clear prioritisation criteria that favour projects demonstrating genuine readiness to proceed?
- ☐ Are inactive or speculative connection applications periodically reviewed to free up network capacity?
- ☐ Has demand-side flexibility been considered as part of grid planning and connection processes?

Step 6: Build a competitive environment for long-term investment

Data centres are long-lived infrastructure assets, making confidence in the long-term policy and regulatory environment an important factor in investment decisions. Competitive investment frameworks typically combine policy stability, commercially workable incentives and effective investment facilitation.

First, stable policy settings often matter as much as the value of individual incentives. Investors make decisions based on expectations over decades rather than years, and frequent or unpredictable policy changes can increase investment risk even

where generous incentives are available. Governments can strengthen investor confidence by providing transparent eligibility criteria, clearly defined benefit periods, grandfathering provisions where policies change, and sufficient notice before introducing major reforms. Stability also extends beyond incentive programmes themselves. Long-term investment decisions are influenced by confidence in planning, electricity and other regulatory settings that affect the operation of data centres. While these frameworks will continue to evolve, doing so transparently and in consultation with industry helps maintain investor confidence.



Building investor confidence through long-term policy stability

Virginia's experience [demonstrates](#) that the value of an incentive framework often lies not only in the incentive itself, but in its predictability. The state's data centre tax exemption has remained in place since 2009, allowing investors to make long-term decisions with greater confidence. This continuity has allowed operators to plan successive phases of investment over many years without the uncertainty associated with frequent policy changes.

Policy stability has been complemented by other competitive advantages, including exceptional connectivity infrastructure, proximity to major internet exchange points, and a collaborative business environment. Together, these factors have helped establish Northern Virginia as the world's largest data centre cluster, where the concentration of networks, cloud providers, and

digital infrastructure has created powerful economies of scale and self-reinforcing network effects.

Second, governments are increasingly using targeted investment incentives to support wider policy objectives alongside attracting digital infrastructure. These objectives may include accelerating renewable energy adoption, encouraging investment in new regions, improving energy efficiency or supporting local economic development.

Where governments choose to attach conditions to incentives, they should be practical, commercially viable and developed in consultation with industry. Requirements that are overly prescriptive or difficult to implement in practice risk discouraging investment and undermining the objectives they are intended to achieve.



Linking investment frameworks to strategic national objectives

In response to rapidly growing demand for digital infrastructure which is projected to increase by more than 5 GW over the coming decade, the Japanese government has introduced a [subsidy](#) programme that supports data centres powered by 100% decarbonised electricity, while maintaining separate incentives designed to encourage investment outside the Tokyo and Osaka metropolitan areas. By linking support to both clean energy use and regional development objectives, the framework seeks to ensure that data centre investment contributes to wider national priorities alongside digital infrastructure growth.

More broadly, Japan has embedded digital infrastructure within a wider long-term economic security and industrial strategy. In 2025, the government [announced](#) a target of ¥370 trillion in combined public and private investment by fiscal 2040 across a range of strategically important sectors, including semiconductors, artificial intelligence, quantum technologies, energy, healthcare, and advanced digital infrastructure. The objective is not simply to attract investment, but to provide long-term policy signals that help guide private-sector capital towards activities that support national competitiveness, economic resilience, and technological capability.

Finally, investment incentives are often most effective when complemented by strong investment facilitation. Dedicated investment promotion agencies, coordinated engagement across government, streamlined approvals and clear points of contact can all reduce transaction costs and improve investor confidence. In practice, this may involve helping investors navigate permitting and utility connection processes, coordinating engagement across relevant ministries and regulators, providing clear information on approval pathways and timelines, and acting as a single point of contact throughout the investment lifecycle. France provides one example of this integrated approach. Following the 2025 AI Action Summit, the government combined investment promotion with the

identification of suitable data centre sites, coordinated support from agencies including Business France and grid operator RTE, and measures to streamline planning and grid-connection procedures for strategically important projects. These efforts form part of a wider strategy to expand domestic compute capacity and strengthen France's AI and digital competitiveness.

Ultimately, the competitiveness of an investment framework depends on the overall investment proposition rather than any single incentive. Markets that combine policy certainty, workable incentives, infrastructure readiness and effective investor facilitation will be better placed to attract and retain long-term digital infrastructure investment.

STEP 6

Build a competitive environment for long-term investment

Data centres are long-lived infrastructure assets. A competitive investment environment combines policy certainty, commercially workable incentives, infrastructure readiness and effective investment facilitation.

What makes an investment environment competitive?



Examples from around the world

Different approaches, a common lesson: stable, well-designed and well-delivered frameworks build investor confidence.



A stronger overall investment proposition

Markets that combine policy certainty, well-designed incentives, infrastructure readiness and effective investment facilitation will be better placed to attract and retain long-term digital infrastructure investment, supporting broader economic, technological and societal value.

Checklist for policymakers – building a competitive environment for long-term investment

- ☐ Do incentive programmes provide long-term certainty through transparent eligibility criteria, clearly defined benefit periods and predictable transition arrangements where they evolve?
- ☐ Are incentives targeted, practical, and competitive relative to peer markets?

- ❑ Where incentives are linked to wider policy objectives, are the conditions commercially viable and developed in consultation with industry?
- ❑ Are application processes straightforward, transparent and capable of being completed within commercially realistic investment timelines?
- ❑ Is there a designated investment promotion agency or equivalent body responsible for supporting major digital infrastructure investments?

Step 7: Develop a shared roadmap for sustainable data centre development

As data centre capacity expands, governments increasingly need to align sector growth with broader sustainability objectives, including energy transition, water stewardship, emissions reduction, and resource efficiency. Because technologies, operating practices, and energy systems continue to evolve, sustainability is best approached as a long-term transition rather than a fixed endpoint. A shared roadmap provides a framework for that transition, giving government, industry, utilities, and other stakeholders a common direction while allowing flexibility for innovation and technological change.

National initiatives such as [Singapore's Green Data Centre Roadmap](#) and [Finland's National Roadmap for Data Centres](#) illustrate how governments are setting long-term expectations for sustainable sector growth while allowing flexibility for innovation and continuous improvement. At a strategic level, these roadmaps help integrate data centre development with wider national priorities such as net-zero commitments, resource efficiency goals, and energy transition strategies. They can also identify the enabling policy frameworks needed to support sustainable operations, including renewable energy procurement, responsible water use, transparent environmental reporting, and measures to reduce the lifecycle environmental footprint of new facilities. By providing greater clarity over long-term policy direction, governments can give investors greater confidence while allowing technologies and operating practices to evolve over time.

Complementing these national initiatives, industry-led frameworks can provide a practical foundation that promotes consistency, reduces duplication and aligns government expectations with operational realities. APDCA's [Sustainable Digital Infrastructure Accord \(SDIA\)](#) provides a shared industry-led regional baseline for sustainable digital infrastructure across Asia-Pacific. The Accord sets out common commitments on energy efficiency, clean energy, water stewardship, and circularity, providing governments with an industry-developed reference point as they design national sustainability frameworks. It also promotes recognised reporting methodologies and operational metrics such as Power Usage Effectiveness (PUE) and Water Usage Effectiveness (WUE), improving transparency and enabling more consistent measurement of sustainability performance across the sector.

Roadmaps should also anticipate emerging sustainability priorities. Water stewardship is becoming increasingly important as AI workloads drive higher-density computing and wider adoption of advanced cooling technologies. Governments can support this by integrating projected data centre demand into long-term water planning, providing regulatory clarity for the use of recycled or non-potable water where appropriate, and encouraging transparent reporting against recognised metrics such as Water Usage Effectiveness (WUE). Industry also has an important role to play in adopting and sharing leading practices for water stewardship – under the SDIA, signatories have committed to pursuing alternatives to

potable water where feasible in water-stressed areas and implementing measures to improve water efficiency.

An effective roadmap should also remain adaptable as technologies and operating practices evolve. One example is the growing industry interest in [24/7 Carbon-Free Energy](#) (24/7 CFE), a voluntary approach that seeks to match electricity consumption with carbon-free generation on an hourly basis within the same grid, rather than relying solely on annual renewable energy matching. By creating demand for

carbon-free electricity when and where it is consumed, 24/7 CFE can support investment in technologies such as renewable generation and energy storage. While it remains an emerging industry practice rather than a regulatory expectation, governments can ensure that electricity market frameworks allow operators to pursue such voluntary approaches where they are compatible with national market arrangements and decarbonisation objectives.

Checklist for policymakers – developing a shared sustainability roadmap

- ☐ Has a shared long-term roadmap been developed in collaboration with industry, setting out direction on sustainability outcomes?
- ☐ Are policy frameworks aligned to support continued improvements in clean electricity procurement, energy efficiency, water stewardship and circular resource use?
- ☐ Are industry sustainability commitments recognised as part of the shared roadmap?
- ☐ Does the roadmap provide a mechanism for regular review and updating as technologies, electricity systems and sustainability practices evolve?



PROVISION

Putting in Place the
Policy Framework



Create the policy settings that provide certainty for
investors and support responsible long-term sector growth.

STEP 3 STREAMLINE PERMITTING & APPROVAL PROCESSES



Create faster, more
predictable approvals

- Single-window approval mechanisms
- Priority development zones
- Coordinated project delivery
- Transparent permitting

STEP 4 REMOVE BARRIERS TO ACCESSING CLEAN ENERGY



Expand commercially
viable clean energy
pathways

- Expand renewable generation
- Enable multiple procurement pathways
- Use targeted investment incentives
- Support on-site energy resources
- Consider regional electricity trade

STEP 5 CREATE ENABLING CONDITIONS FOR FASTER GRID CONNECTION



Ensure electricity can be
delivered at the pace
investment requires

- Plan transmission ahead of demand
- Create transparent connection processes
- Enable demand-side flexibility

STEP 6 BUILD A COMPETITIVE ENVIRONMENT FOR LONG-TERM INVESTMENT



Create long-term investor confidence

- Stable policy settings
- Targeted investment incentives
- Investment facilitation
- Predictable regulatory environment

STEP 7 DEVELOP A SHARED ROADMAP FOR SUSTAINABLE DATA CENTRE DEVELOPMENT



Provide long-term sustainability direction

- National sustainability roadmaps
- Industry-led frameworks (SDIA)
- Water stewardship
- Emerging sustainability priorities

Partner: Mobilising a whole-of-nation effort

The first two pillars of this playbook focus on creating the conditions for data centre development through effective planning, infrastructure readiness, and supportive policy frameworks. The Partner pillar focuses on how governments can work with industry, universities, utilities, local authorities and communities to translate that investment into broader economic, technological and societal value.

Industry associations can help facilitate this collaboration. APDCA's [Sustainable Digital Infrastructure Accord \(SDIA\)](#) provides an industry-led framework through which operators have established voluntary commitments on energy efficiency, clean energy, water stewardship and circularity. Frameworks of this kind can provide a practical basis for public-private collaboration, allowing governments and industry to work together to promote responsible resource stewardship while drawing on operators' technical and operational expertise. This combination of voluntary industry action and active engagement with government illustrates the collaborative approach reflected throughout the Partner pillar.

Step 8: Invest in talent and supply chain development

Data centres sit within broader ecosystems that span construction, equipment manufacturing, software and digital services, telecommunications, and supporting energy and water infrastructure. Maximising the long-term economic benefits of data centre investment therefore requires more than attracting facilities alone. Governments, industry, universities and utilities all have a role in developing the workforce, strengthening domestic capabilities and supporting innovation across the wider ecosystem.

Build a future-ready workforce

The rapid growth of AI and digital infrastructure is increasing demand for engineers, electricians, cooling specialists, network engineers, cybersecurity professionals and data centre operations personnel. According to the Uptime Institute's [2025 Global Data Centre Survey](#), workforce shortages remain one of the industry's most persistent operational challenges, with nearly two-thirds of operators reporting difficulties recruiting or retaining suitably qualified staff.

Governments can help address these shortages by working closely with operators, universities, technical institutes and vocational training providers to ensure education programmes reflect evolving

industry needs. Industry participation is particularly important, as operators are often best placed to identify emerging technical skills and provide practical training opportunities through internships, apprenticeships and curriculum development. Malaysia provides one example of this collaborative approach. Launched in 2025, the Johor Talent Development Council's [Data Centre Technician Programme](#) brings together government, education providers and industry to develop industry-aligned training in support of Malaysia's expanding digital infrastructure sector. The programme contributes to the Malaysia [Digital Economy Blueprint's](#) wider objective of strengthening the country's digital workforce.

Industry is also playing an increasingly active role in workforce development. In 2026, Equinix [expanded](#) its global Pathways to Tech programme to all 77 markets in which it operates, introducing students to careers in digital infrastructure through site visits, mentoring, apprenticeships and technical learning. Equinix has also established a Global Data Center Technician Training Coalition with education providers and industry partners to develop shared curricula and expand training pathways into data centre operations, reflecting growing recognition that workforce shortages require coordinated industry-wide

solutions rather than firm-specific recruitment efforts.

STTGDC has similarly [partnered](#) with the Engineering Professional Institute (EPI) to sponsor the internationally recognised Data Centre Facilities Certified (DCFC) programme, providing participants with a structured competency development pathway to build the skills required for data centre and other mission-critical operations. The programme is designed to develop talent beyond STT GDC's immediate hiring requirements, helping build a broader pipeline of skilled workers to support the country's wider digital infrastructure needs.

Strengthen domestic supply chain capabilities

Beyond workforce development, governments can help domestic firms participate more effectively in the growing data centre ecosystem, including across construction, electrical engineering, cooling systems, maintenance, security services and professional services, where local companies can compete successfully.

Rather than imposing mandatory local requirements, governments can strengthen participation by helping domestic suppliers meet the technical, quality and sustainability standards expected by international operators. Supplier development programmes, technical assistance, certification support and industry matchmaking can help local firms integrate into global supply chains while preserving operators' flexibility to procure competitively. Malaysia's [Industrial Linkage Programme \(ILP\)](#), administered by the Malaysian

Investment Development Authority (MIDA), follows this capability-building approach by helping domestic SMEs strengthen their technological capabilities and quality standards so they can participate more effectively in multinational supply chains. Similar programmes can broaden domestic participation in the data centre ecosystem without constraining operators' ability to procure competitively.

Support innovation and technology development

As AI workloads evolve, technologies such as advanced cooling systems, battery storage, water recycling, waste heat recovery and AI-enabled facility management are becoming increasingly important to the future competitiveness and sustainability of digital infrastructure. Governments can support their development through research grants, R&D tax incentives, collaborative research centres and demonstration projects that allow emerging technologies to be tested under real-world operating conditions.

Singapore has adopted this approach through initiatives under its Green Data Centre Roadmap, including the [Sustainable Tropical Data Centre Testbed](#), which allows industry to test next-generation cooling technologies in operational conditions, and the [Green Computing Funding Initiative](#), which supports the development of more energy-efficient computing technologies. Together, these initiatives help accelerate the commercialisation of new technologies while strengthening collaboration across government, industry and academia.

Checklist for policymakers – investing in talent and supply chain development

- ☐ Are workforce development initiatives aligned with projected demand for data centre skills, including electrical and mechanical engineering, cooling systems, networking, cybersecurity and AI-related capabilities?
- ☐ Are industry, universities, technical institutes and government collaborating to develop curricula, apprenticeships, internships and other work-integrated training pathways?
- ☐ Are supplier capability programmes available to help domestic firms meet the technical, quality and sustainability standards required to participate in data centre supply chains (e.g. through certification support, technical assistance, technology upgrading or supplier matchmaking)?
- ☐ Do R&D policies support the development, testing and commercialisation of emerging data centre technologies through research funding, innovation grants, tax incentives or demonstration projects?

Step 9: Engage the community to build public trust

As data centre development accelerates across Asia-Pacific, maintaining public trust is becoming an increasingly important enabler of long-term sector growth. While data centres underpin AI, cloud computing and the wider digital economy, their growing demand for land, electricity and water means they are becoming increasingly visible within local communities. In many mature markets, public concerns around energy use, environmental impacts, resource use and neighbourhood amenity have become an important factor influencing planning decisions and project timelines. Maintaining a strong social licence to operate is therefore becoming a strategic priority for both governments and industry.

Although community engagement is included under the Partner pillar of this playbook, it should not be viewed as the final stage of project delivery. International experience suggests that engagement is most effective when it begins early in the planning process and continues throughout a facility's lifecycle, allowing communities to understand proposed developments, ask questions and raise concerns before positions become entrenched.

In practice, governments can help build public confidence by:

- Coordinating public-private collaboration on community engagement; and
- Building a strong public evidence base through trusted, accessible information about the sector's economic and environmental contribution.

Coordinate public-private collaboration on community engagement

Effective community engagement works best when government and industry approach it as a shared responsibility. Governments are well placed to convene operators, local authorities and community representatives, align expectations across projects, and help establish common approaches for community engagement.

Across the sector, many operators are already adopting more structured approaches to community engagement throughout the planning, construction and operation of their facilities. Common practices include engaging nearby residents before construction begins, providing accessible information about proposed

developments, establishing dedicated channels for community enquiries, responding transparently to concerns, and investing in local skills, education and community initiatives. Companies such as Equinix, Microsoft, AirTrunk and AWS have published commitments covering many of these areas, while industry organisations such as the Japan Data Centre Council (JDCC) have developed dedicated [guidance](#) on community coexistence.

At a regional level, APDCA's [Sustainable Digital Infrastructure Accord \(SDIA\)](#) shows how industry can establish shared best practices, setting voluntary targets across four critical sustainability areas – energy efficiency, clean energy use, water use and circularity. The Accord is designed as a living framework, with targets and approaches reviewed regularly to support continuous improvement. In this regard, APDCA is developing a fifth pillar on community engagement, recognising that sustained public trust is increasingly central to the sector's ability to grow.

Governments are also exploring different approaches to articulating expectations for the sector. In Australia, the Government's [Expectations of Data Centres and AI Infrastructure Developers](#) set out principles covering community engagement and broader public benefit, alongside energy, water, skills and other issues. The Government has since [announced](#) that these Expectations will inform the development of mandatory national standards for large data centres. Australia's experience illustrates one emerging, more government-led approach to addressing the wider impacts of data centre growth as the sector scales.

Elsewhere, governments have sought to support engagement through guidance and coordination. For example, the [Tokyo Metropolitan Government](#) encourages developers to communicate transparently with local residents throughout planning and operation, recognising that community engagement is an important element of sustainable urban infrastructure development. The appropriate approach will vary between markets. Governments should

seek to provide clarity and build public confidence while working with industry to ensure that approaches remain practical, proportionate and supportive of continued investment.

Build a strong public evidence base

Public trust is strengthened when communities have access to clear, credible information about how data centres operate and the role they play in supporting digital services and economic growth.

Governments and industry can work together to improve transparency through accessible information on issues such as energy use, sustainability initiatives, economic contribution and environmental performance, while creating opportunities for dialogue through community forums, stakeholder advisory groups and other engagement mechanisms. These channels allow concerns to be discussed constructively rather than emerging only through formal planning disputes or media attention.

Trusted public institutions also have an important role in strengthening the evidence base for public debate. As data centre investment accelerated, the Australian Bureau of Statistics introduced a dedicated [Spotlight – Data Centres in Economic Statistics](#) explaining how the sector contributes to GDP, business investment, employment and long-term productive capacity. By providing trusted, independent information through the national statistical agency, Australia has helped support a more informed public discussion about the role of digital infrastructure in the economy.

Public confidence should also be viewed as an ongoing process rather than a one-off exercise. Governments can use feedback from communities, developers and local authorities to identify recurring issues, refine guidance and improve planning and engagement processes over time. By incorporating lessons from completed projects into future policy development, governments can strengthen public trust while supporting more consistent and

effective approaches to data centre development.



Building public trust through transparent data

As data centre investment accelerated, the Australian Bureau of Statistics (ABS) introduced a dedicated Spotlight – Data Centres in Economic Statistics to explain how the sector contributes to the national economy. Rather than focusing solely on investment announcements, the publication helps the public understand how data centres contribute to GDP, business investment, capital formation, employment, and long-term productive capacity, and how these impacts are measured in Australia's national accounts. The ABS has subsequently incorporated this work into its regular capital expenditure publications, reflecting the growing economic significance of the sector. By providing trusted, independent information through an official statistical agency, Australia demonstrates how governments can support more informed public discussion as digital infrastructure becomes an increasingly important part of the economy.

Checklist for policymakers – engaging the community to help build public trust

- ☐ Are data centre developers encouraged to engage local communities early and throughout the planning, construction and operation of facilities?
- ☐ Do governments recognise and encourage voluntary industry good practice on community engagement, transparency and responsible development?
- ☐ Is trusted, accessible information available on the sector's economic contribution, environmental performance and role in supporting AI and the digital economy?
- ☐ Are governments and industry working together to strengthen public confidence through coordinated communications, guidance and community engagement initiatives?
- ☐ Are lessons from community engagement and completed projects used to improve future planning processes, guidance and policy development?

Step 10: Track metrics and adapt policy as the sector evolves

Data centre policy is not a one-time exercise. As technologies, energy systems, sustainability expectations, and investment patterns continue to evolve, governments will increasingly need mechanisms to monitor how the sector is developing and whether policy settings remain fit for purpose. Effective policy frameworks tend to share a capacity to learn from experience, measure outcomes, and adapt over time. Rather than viewing policy as a fixed endpoint, many governments are adopting a more iterative approach that allows frameworks to evolve alongside technological, market and societal developments.

The metrics that governments choose to monitor should reflect the outcomes they are seeking to achieve through data centre policy. In practice, this involves monitoring three broad categories of indicators:

- **Sector growth**, including installed capacity, electricity demand, number of facilities and geographic distribution.
- **Economic and sustainability outcomes**, including investment, employment, renewable electricity procurement, emissions intensity, water use and recognised efficiency metrics such as Power Usage Effectiveness (PUE) and Water Usage Effectiveness (WUE).

Together, these indicators provide governments with a more comprehensive picture of how the sector is evolving, whether policy objectives are being achieved and where adjustments may be required.

Regional and international forums provide opportunities for policymakers to exchange practical experience, compare policy approaches and discuss emerging issues ranging from electricity planning and sustainability to permitting, workforce development and AI-driven demand growth. Intergovernmental dialogues such as the ASEAN Digital

Ministers' Meeting facilitate cooperation on broader digital economy and infrastructure issues, while multi-stakeholder initiatives such as Digital Garden Tokyo bring together governments, industry, investors and researchers to share practical implementation experience. These exchanges help governments understand not only which policies have been adopted elsewhere, but also how they have worked in practice and what implementation challenges have emerged.

Regional industry associations can also play an important convening role. As a regional association representing data centre operators across Asia-Pacific, APDCA is well placed to facilitate ongoing dialogue between governments, industry, utilities, researchers and other stakeholders. By sharing operational experience, emerging technologies and lessons from across multiple jurisdictions, these exchanges can help ensure that future policy development remains evidence-based, practical and responsive to changing market conditions.

Finally, effective adaptation also depends on maintaining structured feedback channels throughout the policy lifecycle. As technologies, markets, and public expectations evolve, governments benefit from regular engagement with industry, academic institutions, utilities, and communities to understand emerging opportunities and challenges. Embedding these perspectives into periodic policy reviews can help ensure that regulatory frameworks remain practical, evidence-based, and aligned with evolving national priorities, while reducing the risk that policy settings become disconnected from developments on the ground.

Checklist for policymakers – tracking metrics and adapting policy as the sector evolves

- ☐ Have clear policy objectives and measurable indicators been established to monitor economic, infrastructure, sustainability and community outcomes?
- ☐ Is data collected regularly on sector growth and performance, including capacity, electricity demand, investment, resource use and other agreed indicators?
- ☐ Are policies reviewed periodically, with lessons from implementation and stakeholder feedback incorporated into future policy development?
- ☐ Does government participate in regional or international exchanges to share practical experience and learn from other jurisdictions?
- ☐ Are structured mechanisms in place for ongoing engagement with industry, utilities, researchers and communities throughout the policy lifecycle?



PARTNER

Mobilising a
Whole-of-Nation Effort



Translate data centre investment into broader economic, technological and societal value through collaboration across government, industry, academia and communities.

STEP 8

INVEST IN TALENT & SUPPLY CHAIN DEVELOPMENT



Build a future-ready workforce

- Industry-aligned education and training
- Apprenticeships and internships
- Workforce planning with operators



Strengthen domestic supply chains

- Supplier capability programmes
- Technical assistance and certification
- Industry matchmaking



Support innovation & technology development

- Research grants and tax incentives
- Demonstration projects
- Public-private partnerships

STEP 9

ENGAGE THE COMMUNITY TO BUILD PUBLIC TRUST



Support industry-led community engagement

- Early and ongoing engagement
- Voluntary good practice
- Community partnerships



Build a strong public evidence base

- Trusted public information
- Transparent reporting
- Coordinated communications



Learn and improve over time

- Capture community feedback
- Refine guidance
- Improve planning processes

STEP 10

TRACK METRICS & ADAPT POLICY AS THE SECTOR EVOLVES



Monitor meaningful outcomes

- Sector growth
- Economic and sustainability outcomes
- Ecosystem outcomes



Learn from regional experience

- Peer learning
- International dialogue
- Industry collaboration



Adapt policy over time

- Structured feedback channels
- Periodic policy review
- Evidence-based improvements

From playbook to action

Data centre investment across Asia-Pacific is entering a period of sustained growth, driven by AI, cloud computing, and the continued digitalisation of economies. The policy frameworks that governments establish today will play an important role in determining how this investment translates into long-term economic, technological, and societal value. Countries that combine a clear strategic vision with practical, coordinated, and well-sequenced policy frameworks will be well positioned to capture the full benefits of the sector while managing its infrastructure, sustainability, and community impacts.

The **Plan–Provision–Partner** framework provides a structured approach that can be adapted to different stages of sector development. For markets at an earlier stage, greater emphasis will typically be placed on establishing the foundations for investment – understanding future demand, planning enabling infrastructure, coordinating government, creating predictable approval processes and maintaining a stable investment environment. As investment begins to scale, policymakers will need to focus increasingly on ensuring that infrastructure and policy frameworks keep pace with growth, including through energy and grid planning, workforce and supply-chain development, and continued engagement with communities. In more mature markets, greater emphasis is likely to fall on optimising long-term value through stronger sustainability performance, innovation, ecosystem development and continuous policy adaptation.

These stages are not rigid or sequential. Many priorities will need to be addressed in parallel, while issues such as sustainability, community engagement and public-private collaboration remain important throughout market development. The value of the framework is therefore not in prescribing the same pathway for every market, but in helping governments identify where greater policy attention may be needed as their markets evolve.

APDCA offers this playbook as a practical contribution to the policy dialogue and as a foundation for continued collaboration with governments across the region. It is intended to be a living resource that evolves alongside the sector, informed by emerging policy experience, technological developments, and ongoing engagement between governments, industry, and other stakeholders. Through continued dialogue, peer learning, and the sharing of practical experience, APDCA looks forward to supporting policymakers as they develop data centre ecosystems that are competitive and sustainable and deliver lasting value for their economies and communities.

Annex: Summary checklist for policymakers – Plan-Provision-Partner

Provision: Laying the foundations		
Step 1: Forecast demand and map infrastructure constraints	Has future data centre demand been forecast by workload type, project maturity and location, distinguishing genuine projects from speculative interest?	
	Does forecasting and mapping look far enough ahead to plan long-lead infrastructure such as transmission and water?	
Step 2: Assemble a core data centre policy team	Is there a clearly identified lead team with the authority to convene utilities, regulators and other agencies, with clear roles across national and sub-national government?	
	Are coordination arrangements reviewed periodically to keep pace as the sector evolves?	
Provision: Putting in place the policy framework		
Step 3: Streamline permitting and approval processes	Can developers move through a coordinated or single-window process with published timelines and a designated lead agency?	
	Is there a way to escalate and resolve issues once a project is underway?	
Step 4: Remove barriers to accessing clean energy	Do large electricity users have at a commercially viable pathway to procure renewable electricity suited to the market structure?	
	Is renewable supply expected to grow in line with projected demand from AI and data centres?	
Step 5: Create enabling conditions for faster grid connection	Does long-term network planning incorporate the demand forecasts developed in Step 1?	
	Are connection processes transparent, and is scarce capacity prioritised for projects genuinely ready to proceed?	
	Has demand-side flexibility been considered as part of grid planning and connection processes?	

Step 6: Build a competitive environment for long-term investment	Do incentive programmes provide long-term certainty through transparent eligibility criteria, clearly defined benefit periods and predictable transition arrangements where they evolve?	
	Where incentives carry conditions, are they commercially workable and developed in consultation with industry?	
	Is there a designated investment promotion agency or equivalent body responsible for supporting major digital infrastructure investments?	
Step 7: Develop a shared roadmap for sustainable data centre development	Has a shared sustainability roadmap been developed with industry, recognising industry-led commitments and allowing practices to evolve?	
Partner: Mobilising a whole-of-nation effort		
Step 8: Invest in talent and supply chain development	Are workforce, supplier and R&D programmes delivered through partnerships across government, industry, academia and utilities?	
Step 9: Engage the community to build public trust	Is community engagement encouraged early and throughout a project's lifecycle?	
	Is trusted, accessible information available on the sector's economic and environmental contribution?	
Step 10: Track metrics and adapt policy as the sector evolves	Is sector performance tracked across growth, economic, sustainability and community indicators?	
	Are policies reviewed periodically, informed by stakeholder feedback and exchange with other jurisdictions?	