

Microsoft plans \$1 billion data center venture in Greece

October 5 2020, by Derek Gatopoulos



Microsoft President Brad Smith, left, speaks with Greek Prime Minister Kyriakos Mitsotakis during a ceremony held in the Acropolis Museum, in the background is the ancient Parthenon temple, central Athens, on Monday, Oct. 5, 2020. Microsoft has announced plans to build three data centers in greater Athens, providing a badly needed investment of up to \$1 billion to the Greek economy which has been hammered by the pandemic. (AP Photo/Petros Giannakouris)

Microsoft has announced plans to build three data center sites in greater Athens, providing a badly needed investment of up to \$1 billion to the Greek economy which has been hammered by the pandemic.

The news was announced Monday by the U.S. tech giant and Greek Prime Minister Mitsotakis and follows nine months of confidential negotiations for an agreement that also includes digital-skills training programs for some 100,000 government and private sector workers as well as educators and students.

"This significant investment is a reflection of our confidence in the Greek economy, in the Greek people and the Greek government," Microsoft President Brad Smith said at a ceremony held in the Acropolis Museum, facing the ancient site in central Athens. "It's not something we do often and it's not something that we do lightly."

Greece recently emerged from a years-long financial crisis but its economy has been hard hit by the pandemic, suffering a 15.2% drop in output on the year in the second quarter. Unemployment in June climbed to 18.3% from 16.4% at the start of the year.

According to budget figures submitted to parliament Monday, Greece's economy is expected to contract 8.2% this year due to the effects of the coronavirus pandemic, and grow by up to 7.5% next year.



Microsoft President Brad Smith wearing a mask to prevent the spread of the coronavirus attends a ceremony held in the Acropolis Museum, central Athens, on Monday, Oct. 5, 2020. Microsoft has announced plans to build three data centers in greater Athens, providing a badly needed investment of up to \$1 billion to the Greek economy which has been hammered by the pandemic. (AP Photo/Petros Giannakouris)



Greek Prime Minister Kyriakos Mitsotakis speaks during a ceremony of Microsoft held in the Acropolis Museum, central Athens, on Monday, Oct. 5, 2020. Microsoft has announced plans to build three data centers in greater Athens, providing a badly needed investment of up to \$1 billion to the Greek economy which has been hammered by the pandemic. (AP Photo/Petros Giannakouris)



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Microsoft President Brad Smith, left, speaks next to Greek Prime Minister Kyriakos Mitsotakis during a ceremony held in the Acropolis Museum, central Athens, on Monday, Oct. 5, 2020. Microsoft has announced plans to build three data centers in greater Athens, providing a badly needed investment of up to \$1 billion to the Greek economy which has been hammered by the pandemic. (AP Photo/Petros Giannakouris)



U.S. Ambassador to Greece Geoffrey Pyatt, left, speaks with Microsoft President Brad Smith, during a ceremony held in the Acropolis Museum, in the background the ancient Parthenon temple, in central Athens, on Monday, Oct. 5, 2020. Microsoft has announced plans to build three data centers in greater Athens, providing a badly needed investment of up to \$1 billion to the Greek economy which has been hammered by the pandemic. (AP Photo/Petros Giannakouris)

The COVID-19 pandemic has exposed the country's heavy reliance on tourism. The Mitsotakis government says it wants to shift the balance of the Greek economy during its recovery, developing the energy, tech, and defense sectors, hoping to lure back tens of thousands of graduates who left during the crisis.

"We are starting to create the conditions for their return," Mitsotakis said. "The creation of a data center upgrades a country as an investment destination ... Greece has the sun and now it's getting a cloud."

Microsoft currently has data centers in 26 countries, including seven in the European Union. The company based in Redmond, Washington, is already working with the Greek government on an augmented reality project on Ancient Olympia, birthplace of the Olympic games.

Microsoft officials said the timetable for the development of the data center in Greece was still being worked out, but added that the process in other countries typically took about two years. Greece, the officials said, would comply with Microsoft's pledge to run all its data centers worldwide on renewable energy sources by 2025.

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