

THE PROMISE OF CLOUD

WITH THE REGIONAL CLOUD MARKET EXPECTED TO DOUBLE IN THE NEXT FOUR YEARS, REGIONAL CLOUD SERVICE PROVIDERS ARE ANGLING FOR MARKET SHARE IN THE INCREASINGLY LUCRATIVE SPACE

For anyone looking to have a stake in the region's cloud services market, the time is now. The Middle East cloud market is surging, with the public cloud services market forecast to reach \$588.21 million in 2016. It's slated to grow at a CAGR of 18.24% and reach \$1149.73 million by 2020, says IDC.

This expansion is due to multiple factors such as the drive to achieve higher efficiency, gain competitive advantage, and more importantly reduce capital expenditure, says Saurabh Verma, senior research manager, IT Services, IDC MEA says. "Additionally, the fundamental way in which services and products are delivered and consumed has shifted in recent times, pushing enterprises adapt to this change through adoption of cloud based delivery models," Verma adds. Many of the global providers like AWS, Microsoft, Oracle, IBM, SAP, Ramco, SFDC etc. have become active in the ME region, with notable success.

These global players will typically enter the market through a local service provider who has the required infrastructure in place as their regional host.

du is one of these major local partners for cloud services.

Abou Moustafa, vice president for du Enterprise Managed Services and Datamena, says du operates as a cloud enabler, facilitating the entry of global cloud giants into the MENA market to provide services to their customers, explains.

The telco serves a wide spectrum of customers within the IT and cloud industry ranging from government, enterprise and SMEs, with more than 90,000 customers in the UAE. du also serves international customers through its datamena platform, the largest independent data hub in the region.

To power du cloud offerings is a network of datacentres distributed across the UAE. These include a DC joint venture with Equinix, one of the biggest operational data centre players in the world, renowned for efficient and secure delivery of data, says Moustafa. Further, du operates Khazna datacentres, one of the largest data centre infrastructure providers in the UAE, and the region, with operations in Dubai and Abu Dhabi. Other data centres are situated in Umm al Quwain, Al Ain as well as the other Emirates.

"We offer state of the art data centre infrastructure, and this is why we can position ourselves as a main cloud enabler in the region," says Moustafa. The data centres are high quality Tier III data centres, Moustafa adds.

Cloud Storage



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SACHIN BHARDWAJ, DIRECTOR - MARKETING AND BUSINESS DEVELOPMENT, EHDF



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↑ Bhardwaj says a reliable cloud services provider is far more secure than in-house server hosting.

Khazna is a N+1 Tier III rated data centre connecting both Etisalat and du customers with full AC redundancy.

The choice of a cloud service provider is an important one for CIOs.

Data locality and IT security are fundamental for cloud service customers, says Verma of IDC. Local support also becomes a key secondary consideration, he adds.

While choosing a cloud services provider, it is important for CIOs to review and evaluate their security standards, policies and governance models to ensure that their organisations' data is safe, secure and protected at all times, advises Sachin Bhardwaj, director, Marketing and Business Development, eHDF.

Further, enterprises need to evaluate the credibility, track record and customer references of the service provider and ensure the service provider follows international best practices for service management and Information Security Management. A highly scalable infrastructure to deploy applications within minutes with options of scaling up/down compute, network and storage resources should also be part of the offering, Bhardwaj says.

"We recommend partnering with a cloud services provider who offers Service Level Agreements (SLAs) and follows security standards, processes and procedures," says Bhardwaj, adding, "Local cloud services provider could provide enterprises with a local data centre and 24/7 bilingual local support. Low latency and faster access to applications are key advantages offered by local cloud services provider."

Jereon Schlosser, managing director, Equinix MENA, says enterprises are looking for IT flexibility and provider choice, adding that interconnection and multicloud access

are critical to hybrid cloud success. "In today's cloud environment, organisations need secure, high-performance interconnection among multiple cloud platforms and cloud types (public and private)," Schlosser asserts.

Organisations are increasingly looking to multiple cloud providers because not all clouds are created equal and certain workloads may run better on one cloud than another, says Schlosser.

Organisations often cite security as their main deterrent to adopting public cloud.

Verma of IDC brushes such security fears aside, noting the numerous instances of data breaches among organisations that have kept their data in-house. On the contrary, he observes, public cloud environments of global providers are actually more secure because most of them have deployed best of breed security infrastructure and have mature processes and policies as well.

Bhardwaj concurs. Partnering with a reliable cloud services provider is far more secure than in-house server host-



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SAURABH VERMA, SENIOR RESEARCH MANAGER, IT SERVICES, IDC MEA

ing, he says. “Cloud service providers have teams of experts across technology domains including data security. They normally adopt state-of-the-art technology and solutions in all areas including security, which may not necessarily be the case with Enterprise IT,” Bhardwaj says.

A reputed services provider is also certified for various quality and security certifications and conduct regular security system audits. Owing to the fact that they run and manage systems for multiple customers, they continuously keep themselves updated about the changing security threat landscape across verticals, notes Bhardwaj.

Recently the CSA Star certification becoming the de facto standard for Cloud Security Services. Bhardwaj adds that eHosting DataFort was the first company in the Middle East to achieve the CSA STAR Certification, earning the Gold rating, which is the highest rating that can be awarded to any cloud services provider (CSP).

The main security challenge is that threats are constantly changing so deploying the latest new technology is essential, says du’s Moustafa. “Anyone claiming to be a real service provider must ensure that cloud players provide their services to their customers securely and that their data is safe,” Moustafa says.

du delivers security across seven layers to not just secure the cloud infrastructure, but also protect the content on the cloud, Moustafa says.

Moustafa observes security is predicated upon laying down a long-term vision in regards to technology deployment, topology of the network, expertise etc. “At du, we are certified as a leading security operation centre with a fully dedicated security team in place. We work in hand in hand with our partners to make sure we are on top of any security threats,” Moustafa says.

Schlosser of Equinix touts the attributes of private interconnections that not only enable multicloud access, but also address enterprise security concerns. Equinix transmits data over dedicated, private networks instead of the public Internet, reducing the risk of workloads being intercepted, monitored and modified, Schlosser explains.

“Many IT professionals find that with a carefully planned architecture, sufficient cloud security and compliance are more than possible,” Schlosser says. A carefully crafted hy-



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brid architecture can solve most cloud security issues, says Schlosser, citing a posting on Equinix’s blog “Hybrid Cloud Scenarios: Control the Data.” One strategy is to put the application, servers and everything else but the enterprise data in the public cloud, keeping data on-premises where IT can maintain control of its security and protection. Alternatively, the author says, organisations can slice the data such that only sensitive data stays private. “By doing so, you always know exactly where your data is, maintaining privacy, redundancy and compliance,” Schlosser says.

Equinix’s newly introduced Data Hub solution enables enterprises to implement a secure data protection and replication environment outside of the public cloud.

Equinix in April 2016 also announced that it is now a corporate member of the Cloud Security Alliance, a global non-profit that promotes best practices for security within cloud computing and provides education on the cloud that helps secure all other forms of computing.

eHDF’s Private Cloud hosting services are delivered from

its very own data centres in Dubai with an offering for clients who wish to have their own Virtual Data Centre (vDC). eHDF ensures that the customer's vDC remains isolated, fire-walled and completely secured to fully support processing, storage, transfer and memory capacities, explains Bhardwaj. "We also offer public cloud services which can be bought from an online storefront. With eHDF's public cloud computing services, customers can be assured of their data being safe and hosted within eHDF's enterprise class data centres in Dubai," Bhardwaj says.

The range of cloud services on offer continues to expand.

For cloud providers, Equinix offers access to its data centres, interconnection solutions and established ecosystems with partner and channel programs.

The Equinix Dubai International Business Exchange (IBX) seeks to deliver the interconnected cloud platform. At IBX, enterprises can access 30 cloud service providers well versed in local legislation and data protection requirements, says Schlosser. Connectivity to the Americas, EMEA and Asia Pacific markets is delivered through Equinix data centres in New York, London, Frankfurt, Singapore, Tokyo and the United Arab Emirates. These include a wide choice of cloud services (500+) and networks (1,000), explains Schlosser.

du provides a wide range of cloud services, from private cloud, hybrid cloud and public cloud in addition to enabling other cloud players to get into the region. Du is also working to host the Equinix Cloud Exchange which provides direct network connectivity to multiple cloud providers throughout the world.

Global cloud brands are looking for a local partner that can provide quality services to their regional customers. "We have a very strong enabler environment, enabling our partners access to offshore customers regionally and at a competitive price," says Moustafa.

On the other end are enterprise customers, who demand trust of the service as number one requirement, says Moustafa. "The service should be reliable, accessible from anywhere at any time," he adds.

du also runs the UAE IX (international exchange) which is fully managed by DE.CIX, a major operator of internet exchanges globally. UAE-IX offers a peering platform, so any cloud provider can peer more than 40 active carriers, enabling them provide services with very competitive latency and quality of service.

Moustafa observes traffic passing through the UAE IX has multiplied three times in the last few quarters, reaching 70 GB of data.

Many organisations remain sceptical however of going fully cloud, leading to a growing hybrid cloud scene in the region.

Collaboration workloads like email, UC, content management, project management are the ones increasingly being migrated to the public cloud in the region. However, there are a few instances of organisations moving their mission critical applications as well such as ERP, CRM, and other production workloads, notes Verma. In general, non-mission critical workloads are more often moved to cloud with critical ones kept on-premise, Verma adds.

Though most public sector organisations are still sceptical about public cloud, private cloud is definitely garnering a lot of interest from enterprises across the region, observes Bhardwaj. "Cloud infrastructure is more cost effective than having your own on-premises IT infrastructure," Bhardwaj says.

UAE's geographical location and economic standing offers an attractive proposition for global companies looking to establish regional operations. Multiple marine cables terminate at its shores, ensuring comprehensive accessibility. In addition, the

country's high levels of physical security and sizeable economy makes it an ideal location for large cloud players.

Local hosting services providers have also upped their game to venture into cloud services, Etisalat, Injazat, STC, Mobily, Alphadata etc. are some of these examples. China based giant AliCloud has also announced its plans for the Middle East market, which would further intensify the competition, notes Verma.



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JEREON SCHLOSSER, MANAGING DIRECTOR, EQUINIX MENA