



Central and Eastern Europe Smart City Spending to Reach \$1.96 Billion, According to IDC

FOR IMMEDIATE RELEASE, Prague — Smart City initiatives are expected to attract technology investments of more than \$1.96 billion in Central and Eastern Europe (CEE) in 2018, according to International Data Corporation (IDC).

Spending on Smart City initiatives in the region is set to record a compound annual growth rate of 17.3% through 2022, according to data published in IDC's *Worldwide Semiannual Smart Cities Spending Guide*.

Data-driven public safety and resilient energy and infrastructure implementations are the major strategic Smart City priorities in CEE in 2018. IDC also found an increase in spending for real-time crime response centers and advanced public transit solutions.

"The growing concentration of populations in urban areas raises numerous similar problems that may be addressed by the Internet of Things, Big Data analytics, artificial intelligence, and other technologies," says Neli Vacheva, IDC Smart Cities analyst for CEE. "IDC expects to see continued strong investments by the public sector, with the increasing involvement of private sector and communities."

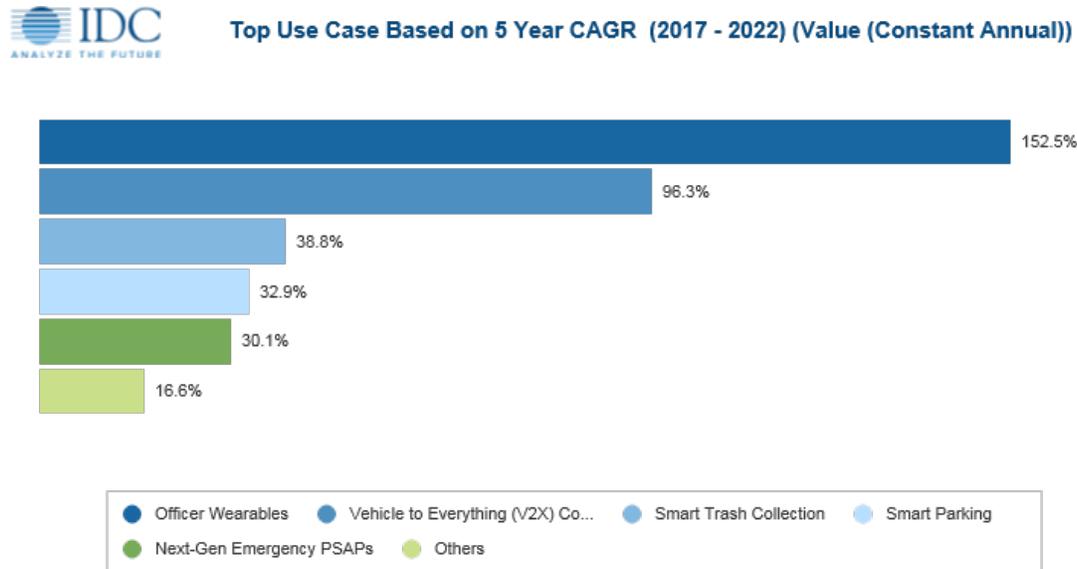
Three use cases are responsible for one-third of CEE Smart Cities spending thus far in 2018 — fixed visual surveillance, smart outdoor lighting, and advanced public transit. Mobile video capture and recording ranks fourth, boosted by deployments in transportation, law enforcement, and emergency management.

Fixed video surveillance is forecast to remain a major spending area in CEE during 2018–2022. Russia and Belarus have increased installations since 2011 as part of "safe city" initiatives. During 2013–2015, cities in the Czech Republic, Poland, and Hungary launched video surveillance for traffic management and public safety. Video surveillance implementations are expected to be boosted during 2018–2022 by solutions featuring face/image recognition, analytics, and artificial intelligence.

Projections indicate that spending on smart outdoor lighting implementations may surpass video surveillance solutions by the end of 2022. The increasing affordability of solutions, combined with the need for effective city infrastructure management and energy savings, is earning

attention even from smaller municipalities. Decorative and architectural lighting implementations are also driving investments.

Figure 1



Source: IDC Worldwide Semiannual Smart Cities Spending Guide - Use Case Forecast, 2017H2

IDC's *Worldwide Semiannual Smart Cities Spending Guide* includes a database of Smart City spending for more than 50 cities in nine regions. Singapore, Tokyo, and New York are among the top spenders. Moscow is ranked 17th, with investments comparable to those of Paris, Milan, and Seoul. Moscow's spending in 2018 is about five times the spending of Prague, Warsaw, and Budapest combined.

For more detail on IDC's definition of the overall Smart Cities opportunity and select use cases, please see *IDC's Worldwide Semiannual Smart Cities Spending Guide Taxonomy, 2H17* (IDC #US43443919).

About IDC Smart City Spending Guide

IDC's *Worldwide Semiannual Smart Cities Spending Guide* quantifies the expected technology opportunity around smart cities initiatives from a region and worldwide level. Spending data is available for nine regions with a focus on 25 use cases across five strategic priorities, as well as the overall Smart Cities market size. Starting from the current release, the spending guide offers a complementary Cities database, providing Smart City 2018 spending for over 50 cities across nine regions. The spending guide is designed to provide IT vendors with insights into this rapidly growing market and how the market will develop over the five-year forecast period.

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,100 analysts worldwide, IDC offers global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly-owned subsidiary of International Data Group (IDG), the world's leading media, data and marketing services company that activates and engages the most influential technology buyers. To learn more about IDC, please visit www.idc.com. Follow IDC on Twitter at [@IDC](https://twitter.com/IDC) and [LinkedIn](https://www.linkedin.com/company/idc).

For more information contact:

Neli Vacheva (nvacheva)
nvacheva@idc.com
+359 2 9693055