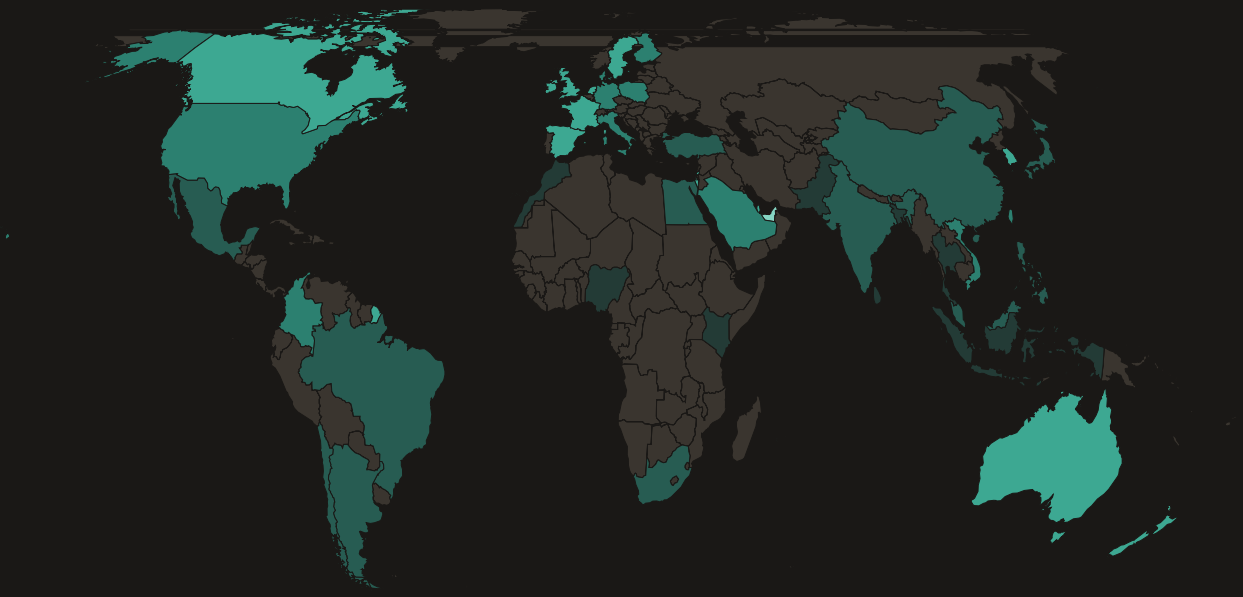
Global edition, November 2026

The AI Opportunity Report *2026–27*



How the world is buying, building and regulating AI: 46 countries and blocs, 25 industries and the AI services economy, with what leaders should do next.

country deep dives, industry atlas, 2026–27 outlook

46	25	321	1,658
country and bloc deep dives	industry opportunity maps	AI service cases in 34 countries	sources, each one linked



Indranil Banerjee (Neel)
Neelverse Lab, indranil.in

Evidence to 1 October 2026, corrected and updated to 2 November 2026

About this edition

Written and researched by Indranil Banerjee (Neel), Neelverse Lab, with AI research agents. indranil.in

Data as of. Evidence to 1 October 2026; figures carry their own dates, and older figures are the latest available. A cross-check on 2 November 2026 re-tested 491 claims against live sources, and new data from 30 October to 2 November 2026 was added. Every change is listed in the edition's change log.

How to cite. Banerjee, I. (2026). *The AI Opportunity Report 2026–27, Global edition.* Neelverse Lab.

What this edition covers

- 46 countries and blocs across 11 regions
- 25 industries, 244 mapped opportunities
- 321 AI service cases from 34 countries, 126 cases with a usable price
- 221 practitioner signals from X, re-checked
- The rules that matter, with 2026–27 dates
- 1,658 sources, each one linked

Updates. This is the annual edition. Later updates will refresh the numbers, the rules calendar and the country dashboards.

> **Important notice.** This report is for general information. It is not legal, financial or investment advice. Figures come from public sources, which the report names; many company results are the company's own claims and are labelled as such. Market forecasts are third-party projections, not predictions by the author.

© 2026 Neelverse Lab. All rights reserved. Short extracts may be quoted with attribution.

Everyone is using AI. *Few are winning with it yet.*

A note from the author

Every week I sit with leaders who ask the same three questions. Where is the real opportunity? What are others buying and paying? And what should we do in the next twelve months? Most AI reports answer a different question: how big the market could be.

This report is built to answer the practical questions. It looks at AI from the buyer's side, country by country and industry by industry, and at the services layer where most businesses meet AI: the audits, agents, content engines, voice systems and training that firms actually buy.

The picture is striking. Use is close to universal among large firms, yet only a minority see profit from it. Spending is racing ahead, mostly into chips and data centres. Small, digital, well-connected countries lead on everyday use. And the rules are arriving on fixed dates.

I built this edition the way I recommend others work: with AI and people together. I ran twelve parallel research streams with AI research agents, then checked, edited and cut the findings by hand. Every number links to its source and date.

No single report can be complete in a market that changes monthly. Where the evidence is thin, I say so. I hope it helps you make better bets.

Indranil Banerjee (Neel), Neelverse Lab

How this report was built

A buyer's-eye view of AI in 46 countries and 25 industries, built from public evidence and checked link by link. Here is what went in, how it was checked and how to read it.

Scope

- **Geography:** 46 countries and blocs in 11 regions, from the US, China and the EU to ASEAN, the Gulf, Latin America and Africa. Deep dives for the largest markets; profiles for the rest.
- **Industries:** 25 industries, from retail, banking and healthcare to agriculture and government, with 244 mapped opportunities.
- **The services layer:** a catalogue of 321 AI service examples from 34 countries (126 cases with a usable price) and 221 practitioner signals, to show what is sold, how and at what price.
- **Time:** evidence to 1 October 2026, with corrections and new figures to 2 November 2026, and a forward calendar to the end of 2027.

Method

The research ran in two layers. The first layer built the services catalogue, industry maps, price benchmarks and rules register over four research rounds. The second layer ran twelve parallel research streams, one per region plus a global stream, each collecting official statistics, filings, regulator pages and reputable reporting.

Indranil Banerjee did the work with AI research agents: he set the questions, checked the sources and edited every chapter. Each figure carries its source, link, date and a type label. When no credible figure could be found, the gap is marked "no figure yet" or the figure is left out, rather than filled with an estimate. A second cross-check on 2 November 2026 re-tested 491 claims against live sources; its corrections are applied in this edition.

How to read the evidence

Label	What it means	How to use it
Reported	Official statistics, filings, regulators or reputable press reporting a fact.	Safe to quote, with the date.

Label	What it means	How to use it
Forecast	A third-party projection (for example Gartner or IDC).	Quote as a forecast, with who made it.
Survey	A survey result. Samples and definitions differ between surveys.	Compare only within the same survey series.
Claimed	Said by a vendor, client or social-media poster. Not independently audited.	Treat as a signal, not a benchmark.
No figure yet	No credible figure found in this edition.	Filled in later updates.

Comparable measures used across countries

- **Everyday AI use:** Microsoft AI Economy Institute, share of working-age people (15–64) using generative AI, Q2 2026. Global average 18.8%.
- **Business adoption:** official statistics where they exist (Eurostat, US Census BTOS, UK ONS, Statistics Canada, and others). Survey definitions differ, so compare with care.
- **Investment:** Stanford AI Index 2026, private AI investment by country, 2025.
- **Readiness:** IMF AI Preparedness Index (2023 data, 165 countries).

Limits

- Official business-adoption data does not exist in many countries; survey figures run hotter than official ones.
- Market-size estimates vary widely by definition; they are shown with their scope and source, and gaps are left empty.
- Company results are mostly self-reported. The label stays next to the number.
- The market moves monthly. Dates and rules are as of the dates given; check the latest texts before acting.
- † marks a widely reported background fact that is not separately cited in the chapter notes.

Executive summary

AI became normal. *Value stayed rare.*

Twelve findings from 46 countries and 25 industries, what they mean for each kind of reader, and the dates that will shape 2026–27.

2026–27 in numbers

Twelve findings

What it means for you

The dates that matter

Executive summary · 2026–27 in numbers

AI has moved from pilot to habit. Spending is up by half in a year, billions of people now meet AI in search and chat, and new rules are live on three continents. *But the money and the value are concentrated.*

- **$2.67T** worldwide AI spending forecast for 2026, up 49.5% on 2025 (Gartner)
- **$3.64T** forecast for 2027 (Gartner)
- **89%** of organisations use AI regularly (McKinsey 2026)
- **37%** see any profit (EBIT) impact from it
- **18.8%** of working-age people worldwide use AI (Microsoft, Q2 2026)
- **73%** in the UAE, the world leader
- **$286bn** US private AI investment in 2025, 83% of the world total
- **$576bn** AI services spending forecast for 2026 (Gartner)

Exhibit 1: Everyday AI use by country: share of working-age people using generative AI, Q2 2026

Source: Microsoft AI Economy Institute, Global AI Diffusion Q2 2026 (74 economies shown).

The leaders are small, rich and digital: the UAE (73%), Singapore (64%), Ireland, France and Norway (about 49–50%). Large economies sit lower: the US at 33%, Japan at 25%, India at 18.5% and China at about 18% on this measure. The global average is 18.8%, with the Global North at 28.8% and the Global South at 16.2%.

Executive summary · Twelve findings

Finding 01 · Use is near universal. Profit is not.

Nine in ten organisations now use AI, and 44% say it is scaling. Yet the share seeing any profit impact is stuck at 37%, and only about 6% are AI high performers: they attribute 5% or more of EBIT to AI and report significant value from it (McKinsey 2026). 56% of CEOs saw neither higher revenue nor lower costs in the past year (PwC). The gap is not access to models. It is redesigning work: 73% of high performers rebuilt their workflows, against 25% of the rest.

Exhibit 2

The value gap: share of organisations or CEOs, 2026

Measure	%
Use AI in at least one function	89%
Scaling AI across the enterprise	44%
See any EBIT impact	37%

Source: McKinsey, The state of AI in 2026: On the road to ROI; PwC, 29th Annual Global CEO Survey

Exhibit 2

The value gap: share of organisations or CEOs, 2026

Measure	%
CEOs: higher revenue from AI	30%
CEOs: both revenue and cost gains	12%
AI high performers (5%+ of EBIT from AI and significant value)	6%

Source: McKinsey, The state of AI in 2026: On the road to ROI; PwC, 29th Annual Global CEO Survey

Finding 02 · Spending is racing ahead, mostly into infrastructure.

Gartner now expects worldwide AI spending of $2.67 trillion in 2026, up 49.5%, and $3.64 trillion in 2027. It has raised its 2026 forecast twice since January. More than half goes to AI infrastructure: servers, chips and data centres. Services, where most companies actually buy help, grow from $434bn to $746bn over the three years.

Exhibit 3

Worldwide AI spending by segment, USD bn (Gartner, September 2026)

Bucket	Infrastructure	Services	Software	Other	Total
2025	982	434	288	83	1787
2026	1484	576	462	148	2670
2027	1978	746	656	258	3637

Source: Gartner, Forecasts Worldwide AI Spending (16 Sep 2026)

Finding 03 · The capital map is lopsided.

Private AI investment reached $345bn in 2025. The US took $286bn of it, 23 times China, which came second. Everyone else combined raised about a fifth of the US total. The UK, France, Canada, India and Germany follow, each with roughly $4–6bn. Outside the US, AI is being built mostly with public money and big-tech capex, not venture capital.

Exhibit 4

Private AI investment outside the US, 2025, USD bn (US: $285.9bn)

Country	USD bn
China	$12.4bn
UK	$5.9bn
France	$4.4bn
Canada	$4.3bn
India	$4.1bn
Germany	$3.9bn
Israel	$3.6bn
Australia	$2.5bn
Saudi Arabia	$2.0bn
Singapore	$1.8bn
South Korea	$1.8bn
Belgium	$1.2bn

Source: Stanford HAI, AI Index Report 2026 (Quid data)

Finding 04 · Everyday use is led by small, connected countries. The gap is widening.

The top of the AI-use table is the UAE, Singapore, Ireland, France, Norway and Spain. Big economies trail: the US ranks 21st. In emerging markets, use is growing but from a low base, and the gap between the Global North (28.8%) and South (16.2%) is widening. Where connectivity, English or local-language models, and digital government are strong, use follows.

Exhibit 5

Top 12 countries by share of working-age people using AI, Q2 2026

Country	%
UAE	73%

Source: Microsoft AI Economy Institute, Global AI Diffusion Q2 2026

Exhibit 5

Top 12 countries by share of working-age people using AI, Q2 2026

Country	%
Singapore	64%
Ireland	50%
France	50%
Norway	49%
Spain	45%
New Zealand	44%
UK	44%
Netherlands	44%
Qatar	44%
Australia	41%
South Korea	41%
Global average	19%

Source: Microsoft AI Economy Institute, Global AI Diffusion Q2 2026

Finding 05 · Big firms are pulling away from small ones.

In the EU, 55% of large firms use AI against 17% of small ones. In Singapore it is 62.5% of non-SMEs against 14.5% of SMEs, and in Ireland 57.7% against 17.2%. In the UK, the government's AI Adoption Survey 2026 puts large firms at 52% against 32% of all firms. McKinsey finds 40% of $1bn-plus companies scaling AI agents, up from 27%, while smaller firms are flat at 22%. The next wave of opportunity is making AI simple and affordable for the mid-market and small businesses, which is where most jobs sit.

Exhibit 6

Share of firms using AI, large vs small

Item	Large firms	Small firms
Singapore	63%	15%
Ireland	58%	17%
European Union	55%	17%

Source: Eurostat 2025 and CSO Ireland 2025 (large 250+, small 10–49 staff); IMDA Singapore 2024 (non-SMEs vs SMEs)

Finding 06 · Search is becoming an answer engine. Ads and checkout follow.

Google's AI Mode has passed a billion monthly users and the Gemini app 950 million (company figures). OpenAI says ChatGPT has 1.2 billion weekly users, and its ads business reached a $1bn annualised run-rate within about 200 days, OpenAI said in August (claimed). Three agent-commerce protocols launched in four months (Google AP2, OpenAI/Stripe ACP, Google UCP). OpenAI has since moved away from checkout inside ChatGPT (CNBC), but checkout inside assistants is live in the US at Google, through Universal Cart since 15 October, and at Meta, whose Muse agent buys through Stripe's Link (company announcements). For marketers, being the answer now matters as much as ranking, and users clicked a source link inside an AI Overview in only about 1% of visits (Pew Research, July 2025).

Finding 07 · The AI services economy is booming, and moving to outcomes.

Gartner puts AI services at $576bn in 2026. Among the largest consultancies, Accenture grew 5% in local currency in fiscal 2026 (7% in the June-August quarter) [1] and IBM consulting was flat. Buyers are shifting from hours to outcomes: Intercom prices its AI agent at $0.99 per outcome (resolutions, completed workflows and handoffs) and Salesforce Agentforce at $2 per conversation. Buying through a partner works twice as often as building alone (66% vs 33% success, MIT NANDA; source could not be re-opened on 3 Nov 2026).

Exhibit 7: AI services spending worldwide, USD bn

- 2025: 434.046
- 2026: 576.481
- 2027: 745.655

Source: Gartner (Sep 2026)

Finding 08 · The rules arrive labels first, heavy duties later.

Across major markets the first binding rules are about transparency: label AI content, disclose chatbots and automated decisions. Heavier obligations are being delayed. The EU's AI Omnibus moved high-risk duties to December 2027 and August 2028, while labelling applies now. In the US, federal pre-emption has not stopped the states, and 1 January 2027 is the next big compliance date.

Date	What starts
1 Sep 2025	China: AI content labelling rules in force
22 Jan 2026	South Korea: AI Basic Act takes effect (fines deferred)
20 Feb 2026	India: labelling of AI-generated content binding
1 Mar 2026	Vietnam: standalone AI law in force (the first in ASEAN found for this report)
2 Aug 2026	EU: AI Act transparency (Article 50) applies
1 Jan 2027	US: Colorado, California ADMT and New York RAISE rules start
13 May 2027	India: full DPDP data-protection duties
2 Dec 2027	EU: high-risk AI obligations (delayed by the AI Omnibus)

Finding 09 · A compute and sovereignty race is under way.

The four largest US platforms are spending well over $600bn a year on capital expenditure, mostly for AI. IDC counts $318bn of AI infrastructure spend in 2025; the US took about three quarters in the latest quarters (77% in Q4 2025, 75.7% in Q1 2026). Governments are building their own capacity: Stargate UAE, Saudi Arabia's HUMAIN, the IndiaAI Mission's 38,000-plus subsidised GPUs (with 20,000 more announced), EU AI gigafactories and a UK AI Research Resource with 21 exaflops of public compute in 2025 and 420 targeted by 2030.

Exhibit 8

Capital expenditure of the largest US platforms, USD bn (periods differ, as labelled)

Company	USD bn
Amazon (2026 cash capex guidance, approx.)	$220bn
Alphabet (2026 guidance, mid)	$200bn
Meta (2026 guidance $135–145bn, mid-point)	$140bn

Source: Company earnings releases, Q2 2026 (Alphabet, Microsoft) and Q3 2026 (Amazon [2], Meta [3])

Exhibit 8

Capital expenditure of the largest US platforms, USD bn (periods differ, as labelled)

Company	USD bn
Microsoft (FY to Jun 2026)	$116bn

Source: Company earnings releases, Q2 2026 (Alphabet, Microsoft) and Q3 2026 (Amazon [2], Meta [3])

Finding 10 · Jobs: an entry-level squeeze, not mass layoffs.

Employment of 22–25-year-olds in AI-exposed US jobs is 19% below trend (Stanford/ADP data). Yet only 14% of organisations actually cut headcount because of AI last year, against 32% who expected to; 39% now expect cuts next year (McKinsey). The WEF still sees 170 million jobs created and 92 million displaced by 2030. The pressure is on junior roles and on how people are trained.

Exhibit 9: Work and AI: the early evidence

−19%
young workers in AI-exposed jobs vs trend (US)

14%
of firms cut headcount due to AI last year

39%
expect AI-related cuts next year

170m / 92m
jobs created vs displaced by 2030 (WEF)

Source: Brynjolfsson, Chandar & Chen, Canaries in the Coal Mine?; McKinsey, The state of AI in 2026: On the road to ROI; World Economic Forum, Future of Jobs Report 2025

Finding 11 · China runs a parallel AI economy at near-zero prices.

More than 700 million people in China used generative AI in the first half of 2026, over half the population, and in CNNIC's 2025 survey more than 90% picked a domestic model first. 1,112 AI services had filed with the regulator by August. API prices have fallen close to the floor (DeepSeek at RMB 1 per million input tokens off-peak), and in June ByteDance's Volcano Engine shifted its pitch from price cuts to capability (Doubao 2.1). Chinese open-weight models are now the default in many emerging markets.

Finding 12 · Emerging markets: fast-growing use on thin infrastructure.

OpenAI says India has about 100 million weekly ChatGPT users (claimed), yet only 18.5% of working-age people use AI on Microsoft's measure. Brazil, Mexico and South Africa sit near or above the global average; Indonesia, Kenya, Bangladesh and Pakistan below it. Africa holds about 0.6% of global data-centre capacity (World Bank, October 2026) [4], and several flagship projects have stalled. Where WhatsApp, mobile money and local languages meet AI, adoption jumps: that is the design brief for 2026–27.

Exhibit 10

Share of working-age people using AI, selected emerging markets, Q2 2026

Country	%
South Africa	24%
Mexico	21%
Brazil	20%
India	19%
Egypt	16%
Indonesia	15%
Pakistan	12%
Nigeria	10%
Kenya	9%
Bangladesh	8%
Sri Lanka	8%
Global average	19%

Source: Microsoft AI Economy Institute, Q2 2026

Executive summary · What it means for you

CMOs and marketing leaders

- Treat AI answers as a channel: measure how assistants describe your brand, fix the sources they read, and budget for AI-search ads as they open.
- Label AI content now. Transparency rules are among the first rules to bite: labelling already applies in China, India and Vietnam, and in the EU since August 2026 (after the 2025 bans and GPAI duties).
- Buy outcomes, not tools: tie AI content, service and lead-handling work to a metric you already report.

CEOs and boards

- Ask for the value, not the usage. Only about a third of firms see profit impact; demand a workflow redesign plan, not more pilots.

- Build a 2026–27 compliance calendar: labelling, automated-decision notices and data-protection deadlines land within 15 months.
- Decide what to buy and what to build. Partnered deployments succeed about twice as often as solo builds (MIT NANDA; source could not be re-opened on 3 Nov 2026).

Founders and SMB owners

- Start where AI pays fastest: customer service, lead response, content and bookkeeping. Keep a human on anything that touches money or health.
- Use the subsidies: Singapore, Malaysia, the UK and others fund AI adoption for small firms.
- Pick tools that work where your customers are: WhatsApp, local languages, mobile payments.

Investors

- The infrastructure trade is crowded; look at the services and application layers where buyers are moving to outcome pricing.
- Watch the gap between usage and profit: the winners will be firms that turn AI into repeatable workflows.
- Sovereign AI programmes create local demand for integrators, data work and language models.

Agencies and service providers

- Productise: package audits, agents and content engines at clear prices, with outcome-linked options.
- Move up to compliance and measurement: clients need labelling, consent and proof, not just output.
- Specialise by country and language; the price gap between markets is three to ten times for similar work.

> Part 7 turns these into full playbooks, with checklists and 90-day plans for each reader.

Executive summary · The dates that matter, November 2026 to December 2027

When	Where	What
13 Nov 2026	India	DPDP consent-manager provisions start
2 Dec 2026	EU	Watermarking grace ends for AI systems already on the market; ban on AI nudification apps applies
10 Dec 2026	Australia	Privacy policies must disclose automated decisions
1 Jan 2027	United States	Colorado's new AI law, California automated-decision rules and New York's RAISE Act start

When	Where	What
Jan 2027	EU	ChatGPT's duties as a Very Large Online Search Engine under the DSA begin
Early 2027	Australia	Legislated Australian Standards for AI expected
Mar 2027	Vietnam	Existing AI systems must comply with the AI law (Sep 2027 in health, education and finance)
13 May 2027	India	Full DPDP data-protection duties apply
2 Dec 2027	EU	High-risk AI duties (Annex III) apply after the AI Omnibus delay
2027	Global	AI spending forecast to reach $3.64 trillion (Gartner)

Every rule date is tracked in the Part 4 calendar; sources are in the country chapters in Part 2. Check the latest official texts before acting.

Executive summary · Notes and sources

Most figures in this summary are sourced where the full text gives them, chiefly in Part 1. Numbers in square brackets in the summary link to these sources.

1. Accenture, Q4 and full-year FY26 earnings release, 1 Oct 2026 link [1]
2. Amazon, "Amazon.com Announces Third Quarter Results", 29 Oct 2026 link [2]
3. Meta, "Meta Reports Third Quarter 2026 Results", 21 Oct 2026 link [3]
4. World Bank, Documents & Reports, document 09980541006261167l (plain-text version), 6 Oct 2026 link [4]

Part 1

The global *picture*

How much the world spends on AI, who uses it, who profits, where the money and compute go, and what it means for work, marketing and risk.

- How big, how fast: the spending boom
- Adoption and the value gap
- Agents: from demos to deployments
- The AI services economy
- Marketing, search, ads and commerce
- Capital, compute and power
- Models and platforms
- Work, skills and productivity
- Risk, trust and the bubble debate
- The year in AI: 2025–26 timeline
- Notes and sources

1.1 · How big, how fast: the spending boom

AI is now the fastest-growing line in global technology budgets. *Most of the money is going into the plumbing, not the apps.*

$2.67T	+49.5%	$3.64T	56%
worldwide AI spending in 2026 (Gartner forecast)	growth on 2025	forecast for 2027	of 2026 spend goes to AI infrastructure

Gartner's September 2026 forecast puts worldwide AI spending at $2.67 trillion this year, up 49.5% from $1.79 trillion in 2025, and $3.64 trillion in 2027 [5]. The number keeps going up. In January the 2026 figure was $2.52 trillion. In May it was $2.59 trillion [6][7]. Each update added tens of billions.

Exhibit 1.1: Gartner's 2026 AI spending forecast, by edition, USD bn

- Jan 2026 edition: 2528
- May 2026 edition: 2595
- Sep 2026 edition: 2670.46

Source: Gartner press releases, 15 Jan, 19 May and 16 Sep 2026

More than half of every AI dollar goes to infrastructure: servers, chips and data centres, bought mostly by hyperscalers and model labs. Gartner's John-David Lovelock expects that server buying to stay "the largest single area of spending" [5] (source could not be re-opened on 3 Nov 2026). Services are the second-largest line. Models themselves are a sliver.

Segment	2025	2026	2027	2025–27
AI infrastructure	$982bn	$1,484bn	$1,978bn	2.0x
AI services	$434bn	$576bn	$746bn	1.7x

Segment	2025	2026	2027	2025–27
AI software	$288bn	$462bn	$656bn	2.3x
AI cybersecurity	$26bn	$51bn	$86bn	3.3x
AI agents & assistants	$16bn	$29bn	$65bn	4.0x
Generative AI models	$13bn	$28bn	$52bn	4.0x
Data science & ML platforms	$19bn	$26bn	$36bn	1.8x
AI app development platforms	$7bn	$10bn	$12bn	1.8x
AI data	$1bn	$3bn	$6bn	7.8x

The fastest-growing lines are small today. AI data, agents and generative models all grow about four to eight times between 2025 and 2027. That is where new vendors and new budget lines will appear first.

Exhibit 1.2

Growth multiple by segment, 2027 spend vs 2025

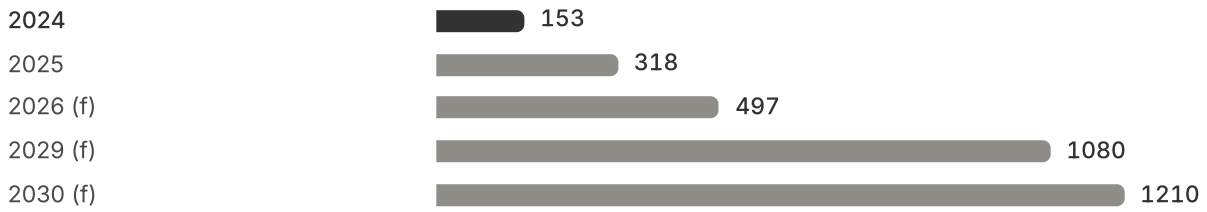
Segment	Multiple
AI data	7.8x
AI agents & assistants	4.0x
Generative AI models	4.0x
AI cybersecurity	3.3x
AI software	2.3x
AI infrastructure	2.0x
Data science & ML platforms	1.8x
AI app development platforms	1.8x
AI services	1.7x

Source: Gartner, Forecasts Worldwide AI Spending (16 Sep 2026); multiples calculated from the published figures

Other lenses on the same boom

IDC tracks only AI servers and storage. That spend more than doubled from $153bn in 2024 to $318bn in 2025 [8]. IDC now expects $497bn in 2026 and more than a trillion dollars a year by 2029 [8]. In the first quarter of 2026, ARM-based accelerated servers ($53bn) widened their lead over x86 ($34.6bn); the crossover began in Q4 2025 [8].

Exhibit 1.3: AI infrastructure spending (servers and storage), USD bn



Source: IDC Worldwide Quarterly AI Infrastructure Tracker (21 Jul 2026); (f) = IDC forecast

Enterprise software spend looks very different. Menlo Ventures estimates companies spent $37bn on generative AI in 2025, up 3.2 times from $11.5bn in 2024 [9]. About $19bn went to applications and $18bn to infrastructure. Coding tools were the first breakout use, at $4bn [9].

> **How to read the market numbers.** Gartner, IDC and Menlo measure different things. Gartner counts everything, including devices with AI chips. IDC counts servers and storage. Menlo counts enterprise generative AI software. Never add them up or put them on one chart. The "trillions" are mostly hardware bought by a handful of giants. Enterprise application spend is in the tens of billions.

1.2 · Adoption and the value gap

Almost every large company uses AI somewhere. *Only about one in three sees it in the profit line.*

89%
of organisations use AI in at least one function

44%
say AI is scaling across the enterprise (38% in 2025)

37%
see any EBIT impact, about the same as in 2025

6%
are AI high performers: 5% or more of EBIT from AI and significant value from it

McKinsey's 2026 survey of 1,719 organisations in 97 countries finds 89% using AI in at least one business function and 56% in three or more [10]. Scaling is rising. Profit is not. Only 37% report any EBIT impact, about the same share as a year ago. McKinsey's own summary: "conviction in AI is growing faster than the immediate financial returns" [10].

Exhibit 1.4

The value gap in three surveys: ambition or use vs value achieved, %

Item	Ambition or use	Value achieved
McKinsey: use AI vs see EBIT impact	89%	37%
PwC: CEOs with any gain vs both gains	44%	12%
BCG: getting some value vs future-built	40%	5%

Source: McKinsey State of AI 2026 [10]; PwC 29th CEO Survey [11]; BCG The Widening AI Value Gap [12]. PwC 'any gain' = 100% minus the 56% reporting neither revenue nor cost gains. BCG 'some value' = 100% minus the 60% with hardly any value.

The other big surveys agree. PwC found 56% of 4,454 CEOs saw neither higher revenue nor lower costs from AI in the past year; only 12% saw both [11]. BCG counts 5% of firms as "future-built" and 60% getting "hardly any material value" [12]. MIT's NANDA group went further: 95% of organisations get zero measurable return from generative AI, though on a small sample [13].

Two newer data points fit the pattern. The UK government's AI Adoption Survey 2026 finds 32% of UK businesses use AI, but only 14% rate it as of high or critical importance to their operations [14]. And a supplier's filing shows how shallow enterprise spend still is. Anthropic's S-1 says more than half of the Fortune 500 were $100,000-plus customers, yet in the quarter to 30 September their Anthropic spend averaged less than 0.1% of their total expenses [15]. That is the vendor's own framing.

What separates the winners

The winners change how work gets done. 73% of McKinsey's high performers fundamentally redesigned workflows, against 25% of everyone else [10]. BCG's leaders put up to 64% more of their IT budget into AI and get five times the revenue uplift [12]. PwC's "vanguard" CEOs apply AI to products and services far more often, 44% against 17% [11].

Exhibit 1.5

Leaders vs the rest: share doing each, %

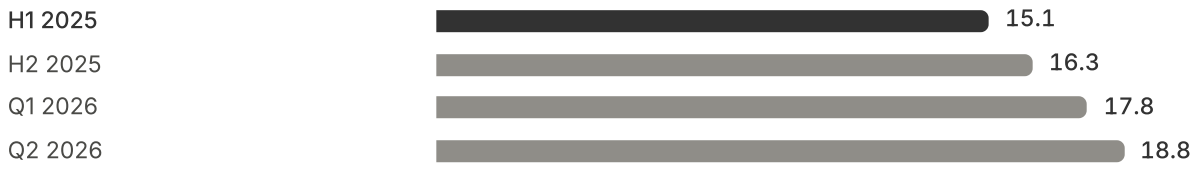
Item	Leaders	Everyone else
Redesigned workflows (McKinsey)	73%	25%
AI in products and services (PwC)	44%	17%

Source: McKinsey State of AI 2026 [10]; PwC 29th CEO Survey [11]

Everyday use: the Microsoft league table

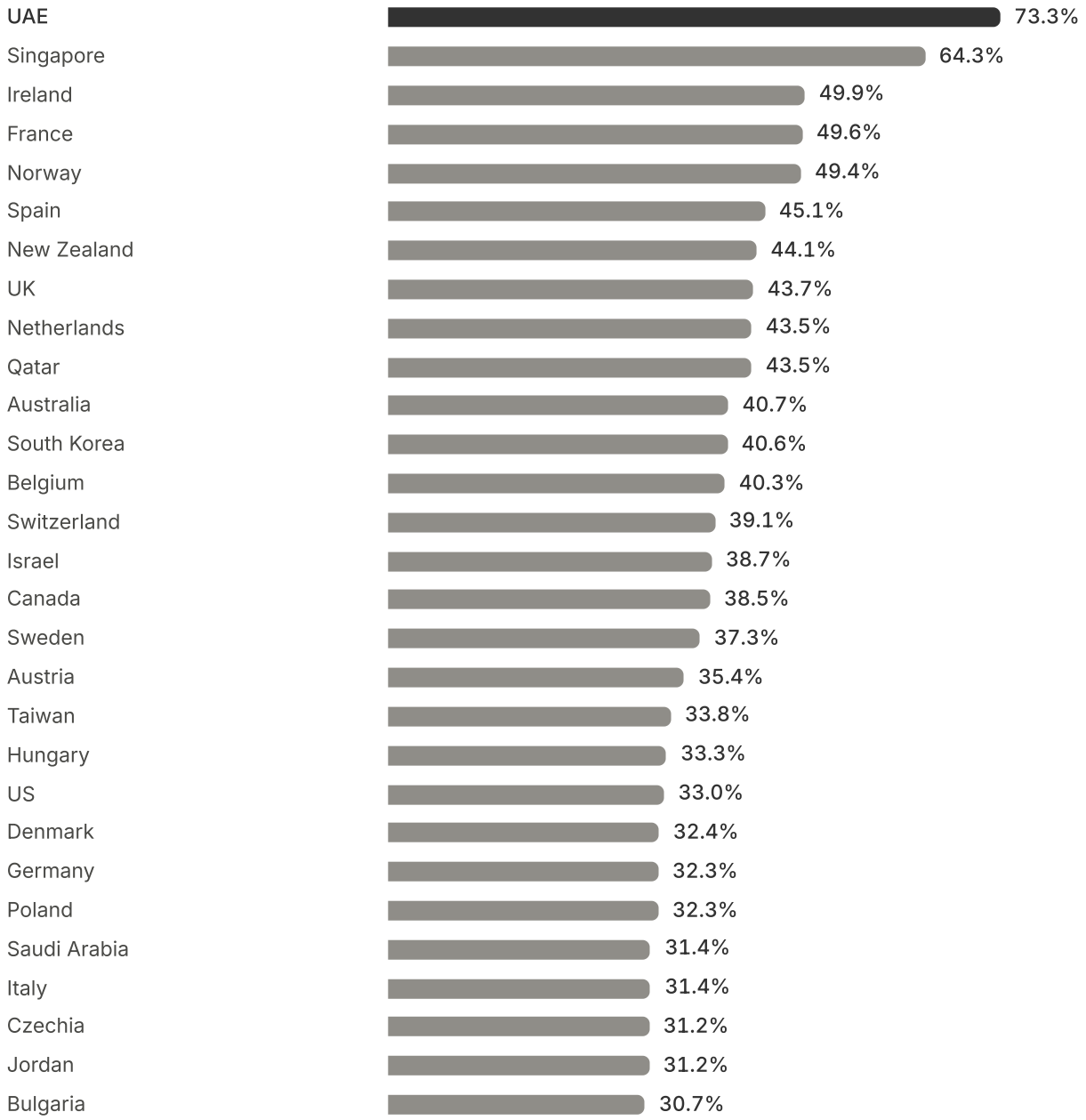
Microsoft's AI Economy Institute estimates the share of working-age people (15–64) who used a generative AI product. The global figure was 18.8% in Q2 2026, up from 15.1% in the first half of 2025 [16][17]. Use is growing everywhere, but faster in rich countries. The gap between the Global North (28.8%) and South (16.2%) widened to 12.6 points [16].

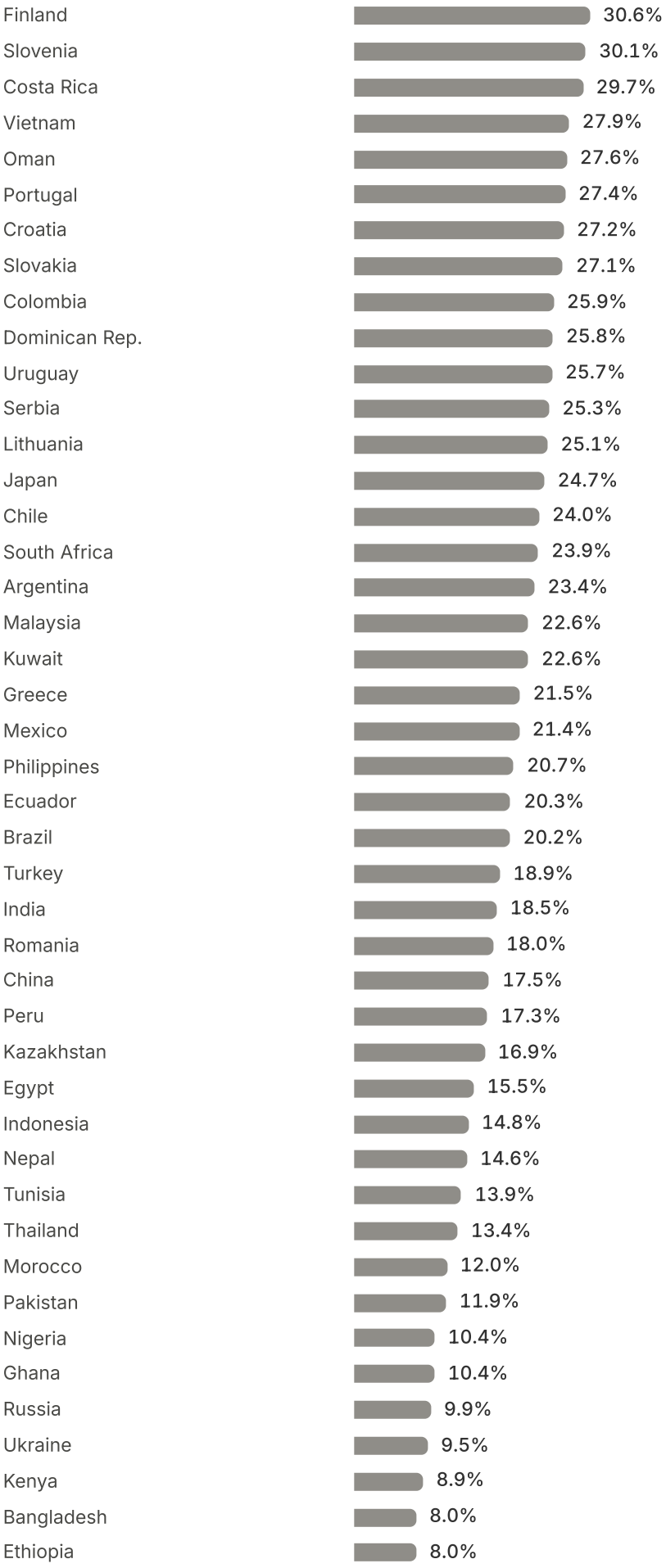
Exhibit 1.6: Share of the world's working-age people using generative AI, %



Source: Microsoft AI Economy Institute, Global AI Diffusion reports [16][17]

Exhibit 1.7: League table: share of working-age people using AI, 74 economies, Q2 2026



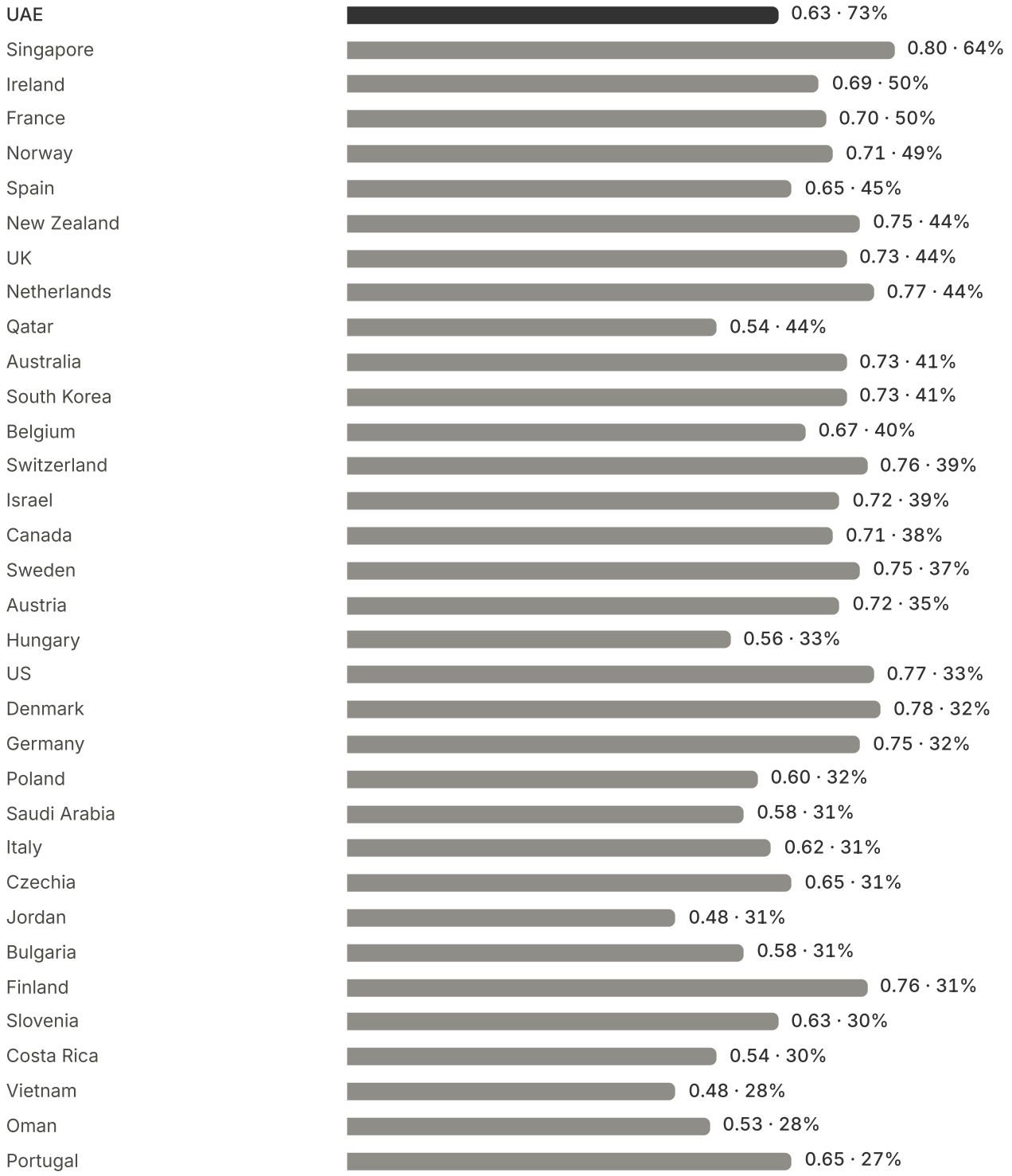

Finland 30.6%
Slovenia 30.1%
Costa Rica 29.7%
Vietnam 27.9%
Oman 27.6%
Portugal 27.4%
Croatia 27.2%
Slovakia 27.1%
Colombia 25.9%
Dominican Rep. 25.8%
Uruguay 25.7%
Serbia 25.3%
Lithuania 25.1%
Japan 24.7%
Chile 24.0%
South Africa 23.9%
Argentina 23.4%
Malaysia 22.6%
Kuwait 22.6%
Greece 21.5%
Mexico 21.4%
Philippines 20.7%
Ecuador 20.3%
Brazil 20.2%
Turkey 18.9%
India 18.5%
Romania 18.0%
China 17.5%
Peru 17.3%
Kazakhstan 16.9%
Egypt 15.5%
Indonesia 14.8%
Nepal 14.6%
Tunisia 13.9%
Thailand 13.4%
Morocco 12.0%
Pakistan 11.9%
Nigeria 10.4%
Ghana 10.4%
Russia 9.9%
Ukraine 9.5%
Kenya 8.9%
Bangladesh 8.0%
Ethiopia 8.0%

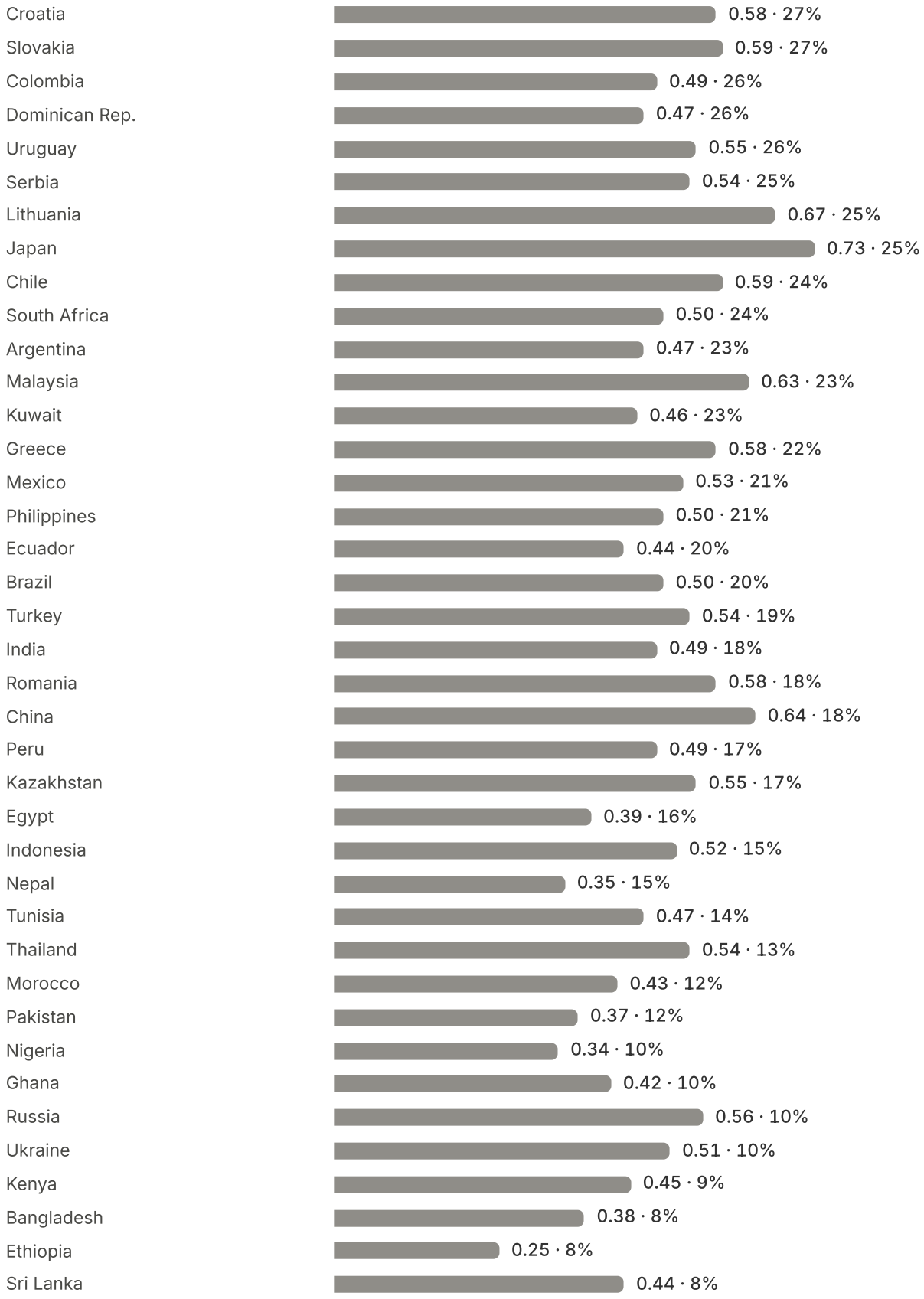
Sri Lanka	7.6%

Source: Microsoft AI Economy Institute, Global AI Diffusion Q2 2026 [16]. Only economies read directly from the report are shown. Highlighted: the largest economies.

Readiness helps, but it is not destiny. The IMF's AI Preparedness Index scores countries on digital infrastructure, skills, innovation and rules [18]. Plot it against actual use and the pattern is clear: better-prepared countries use more AI. The outliers are the story. The Gulf states and Singapore use far more than their scores predict. Denmark, Germany and Japan use less.

Exhibit 1.8: AI readiness vs everyday AI use, by country





Source: IMF AI Preparedness Index [18]; Microsoft Global AI Diffusion Q2 2026 [16]. Each dot is an economy with both measures.

Exhibit 1.9: AI readiness around the world: IMF AI Preparedness Index

Source: IMF DataMapper, AI Preparedness Index, 165 countries, 2023 data [18]

Firms: big companies pull away

Official statistics show a steep size gap. In the EU, 19.95% of firms with ten or more staff used AI in 2025, up 6.5 points in a year [19]. Among large firms it was 55%. Among small firms, 17% [19]. Denmark leads at 42%. Romania trails at 5% [20]. McKinsey sees the same split for agents: 40% of $1bn-plus companies are scaling them, against 22% of smaller ones, flat on last year [10][21]. In the UK, the government's AI Adoption Survey 2026 puts large firms at 52% against 32% of all firms [14]. Spend is concentrating too: Anthropic's S-1 counts more than 1,900 customers with $1m or more of trailing revenue and about 250 with $10m or more [15].

Exhibit 1.10

EU enterprises using AI, by firm size, 2025, %

Firm size	%
Large (250+ staff)	55.0%
Medium (50–249)	30.4%
Small (10–49)	17.0%
All firms (10+)	19.95%

Source: Eurostat, Use of artificial intelligence in enterprises [19]

Exhibit 1.11: Share of enterprises (10+ staff) using at least one AI technology, Europe, 2025

Source: Eurostat dataset isoc_eb_ai, 2025, enterprises with 10+ staff [20]

Shadow AI and trust

90%
of employees use personal AI tools at work (MIT; source could not be re-opened on 3 Nov 2026)

40%
of companies bought official LLM subscriptions

46%
of people are willing to trust AI

66%
rely on AI output without checking it

People are ahead of their employers. MIT found 90% of employees use personal AI tools at work, while only 40% of companies bought official subscriptions [13] (source could not be re-opened on 3 Nov 2026). KPMG and the University of Melbourne surveyed 48,000 people in 47 countries: 66% use AI regularly, but only 46% are willing to trust it. 66% rely on AI output without checking it, and 56% have made mistakes at work because of AI [22].

Buy beats build, for now

76% of enterprise AI solutions were bought rather than built in 2025, up from 53% in 2024 [9]. Buying through a partner also works better: MIT found external partnerships reach deployment about twice as often as internal builds, 66% against 33% [13]. But coding agents are changing the maths. 31% of organisations in McKinsey's 2026 survey decided against buying a piece of software and built it themselves with coding agents; in tech firms, 41% [10].

Exhibit 1.12

Enterprise AI solutions bought vs built, %

Item	Bought	Built in-house
2024	53%	47%
2025	76%	24%

Source: Menlo Ventures, State of Generative AI in the Enterprise 2025 [9]

1.3 · Agents: from demos to deployments

2026 is the year agents moved from slides to budgets. *Adoption is real but early, and skewed to big firms.*

~20%
of organisations are scaling AI agents (McKinsey)

16%
of enterprise deployments qualify as true agents (Menlo)

17% → 29%
agents' share of AI value, 2025 to 2028 (BCG)

40%
let AI act without human approval to at least a moderate degree (Deloitte)

About one in five organisations is scaling AI agents and a similar share is scaling coding agents. Chatbots are further along, at 47% [10]. Menlo finds only 16% of enterprise deployments and 27% of startup deployments are true agents that plan and act on their own [9]. BCG says agents drove 17% of AI value in 2025 and will drive 29% by 2028 [12].

Exhibit 1.13

Organisations scaling each type of AI, 2026, %

Type	%
AI chatbots	47%
AI agents (large firms, $1bn+)	40%
AI agents (smaller firms)	22%

Source: McKinsey State of AI 2026 [10]; Civic analysis of McKinsey data [21]

Exhibit 1.13

Organisations scaling each type of AI, 2026, %

Type	%
AI agents (all, approx.)	20%
Coding agents (all, approx.)	20%

Source: McKinsey State of AI 2026 [10]; Civic analysis of McKinsey data [21]

Budgets follow. Gartner's "AI agents and assistants" line grows from $16.5bn in 2025 to $65.5bn in 2027 [5]. Many agent features also hide inside software and services lines, so the real spend is larger. Capability is catching up: agent success on the OSWorld computer-use benchmark rose to 66.3% from 12% in 2024 [23].

Exhibit 1.14: Spending on AI agents and assistants, USD bn

- 2025: 16.481
- 2026: 29.219
- 2027: 65.472

Source: Gartner, Forecasts Worldwide AI Spending (16 Sep 2026) [5]

Usage data shows delegation is rising. Anthropic's Economic Index found 77% of enterprise API use shows automation patterns, where the model does the task end to end, against 12% augmentation. On its consumer app, fully "directive" conversations rose from 27% to 39% in eight months [24].

> **The hype check.** Gartner put agents at the Peak of Inflated Expectations in July 2025 [25]. It has said over 40% of agentic AI projects will be cancelled by the end of 2027 [26], and in September 2026 it predicted 70% of enterprises will abandon agentic AI built by vendors' forward-deployed engineers by 2028 [27]. Gartner's pages could not be re-opened on 3 Nov 2026. The lesson: agents that fail are usually agents without clear ownership, data access and a measurable job.

1.4 · The AI services economy

Services are the second-largest AI budget line. *But the money is moving from hours to outcomes, and from big integrators to specialists and products.*

$576bn
AI services spending, 2026 (Gartner)

$746bn
forecast for 2027

+3%
Accenture revenue growth in local currency, Q3 FY26

0%
IBM consulting growth, Q2 2026

Exhibit 1.15: AI services spending worldwide, USD bn

- 2025: 434.046
- 2026: 576.481
- 2027: 745.655

Source: Gartner, Forecasts Worldwide AI Spending (16 Sep 2026) [5]

The paradox: AI services spend is growing by about a third a year, yet the biggest integrators are barely growing. Accenture's revenue rose 3% in local currency in the quarter to May 2026, and new bookings dipped to $19.3bn from $19.7bn [28]. IBM's consulting revenue was flat [29]. Neither breaks out AI revenue any more.

Two forces explain it. Clients buy AI as products: 76% of enterprise AI is bought, not built [9]. And coding agents let clients build more themselves: 32% decided against buying at least one software product because they could build it with coding agents [10]. The money is flowing to software vendors, model labs, cloud providers and specialist partners, who reach production about twice as often as internal teams [13].

Pricing moves from seats to outcomes

Vendor and product	Price	Model
Intercom Fin (AI customer-service agent)	$0.99 per outcome (resolutions, completed workflows and handoffs)	Outcome
Salesforce Agentforce	$2 per conversation	Per interaction
Salesforce Agentforce Flex Credits	$500 per 100,000 credits	Metered usage
Salesforce Agentforce add-ons	$125 per user per month	Seat

Published list prices show the shift; they are the vendors' own list prices (claimed) [30][31]. Buyers can now pay per outcome or per action, not only per seat. For sellers, this cuts both ways. Outcome pricing wins deals, but token-metered costs make fixed fees risky: 20% of organisations already say AI running costs limit how much they use it [10].

> Part 5 goes deeper on the services market: 321 AI service cases from 34 countries, 126 cases with a usable price and what practitioners say actually works.

1.5 · Marketing, search, ads and commerce

Marketing is where AI budgets and returns land first. *It is also the function whose channels AI is rewiring fastest.*

50–70%
of generative AI budgets go to sales and marketing (MIT)

37%
report revenue gains from AI in marketing and sales, the top function (McKinsey)

+50%
marketing output gain in studies, vs +26% in software (Stanford)

34.7%
of AI-using EU firms use it for marketing or sales, the top use

MIT estimates 50–70% of generative AI budgets go to sales and marketing [13]. It pays: marketing and sales is the function where most organisations report AI revenue gains, at 37% [10]. In the EU, marketing and sales is the most common business use among AI adopters, at 34.7% [19]. And 22% of CEOs already apply AI extensively to demand generation, their top area [11].

Search becomes an answer engine

1bn+
monthly users of Google AI Mode

950m
monthly users of the Gemini app

1.2bn
weekly ChatGPT users (OpenAI, Sep 2026)

1%
of visits in which users clicked a source inside an AI Overview (Pew)

Google's AI Mode grew from 75 million daily users in late 2025 to more than a billion monthly users by mid-2026 [32] [33]. Search revenue still grew 17% to $63.3bn in Q2 2026 [34], and Google is testing new ad formats inside AI answers [35]. But clicks are thinning: Pew found users clicked a source link inside an AI Overview in only 1% of visits [36]. Publishers have sued, and the European Commission opened a competition probe in December 2025 [37].

Ads are moving into the conversation. In the US, ads in AI Mode now also appear in follow-up questions, labelled "Sponsored". Google says click-through rates are "already similar between sponsored and organic product list items" in AI Mode, from its own US data for 20 August to 3 September [38]. On 30 October Google and OpenAI backed a shared robots.txt signal that lets sites opt out of AI training separately from search. Google plans to support it in 2027 and OpenAI "in the coming months" [39] [40]. The same day the UK's competition regulator, the CMA, opened a Competition Act case into whether Meta's commercial terms for businesses, abuse a dominant position [41].

Exhibit 1.16: ChatGPT weekly users, millions (company statements)

- Late 2025: 800
- Feb 2026: 900
- Sep 2026: 1200

Source: OpenAI statements as reported [42] [43]. Company claims, not audited.

Chat becomes an ad and shopping channel

OpenAI announced ads in free ChatGPT in the US in January 2026 and began showing test ads on 9 February [44]. The business reportedly hit a $1bn annual run-rate within about 200 days [45][46][47]. In parallel, three protocols now let AI agents shop and pay on a user's behalf.

Protocol	Backers	Launched	What it does
AP2 (Agent Payments Protocol)	Google, 60+ partners incl. Mastercard, Amex, PayPal	16 Sep 2025	Lets agents make payments with verifiable user mandates
ACP (Agentic Commerce Protocol)	OpenAI and Stripe	29 Sep 2025	Launched to power Instant Checkout inside ChatGPT, which OpenAI moved away from in March 2026 [48]; open standard
UCP (Universal Commerce Protocol)	Google with Shopify, Etsy, Wayfair, Target, Walmart; 20+ endorsers	11 Jan 2026	Agentic checkout in AI Mode and Gemini; live for US users through Universal Cart since 15 Oct 2026 [49]

Sources: Google Cloud [50], Stripe [51], Google [52]. Amazon has merged its Rufus and Alexa+ shopping assistants and says active users are close to doubling [53].

Checkout inside assistants has since split two ways. OpenAI moved away from Instant Checkout in ChatGPT in March 2026, towards retailer apps, as reported by CNBC [48]. Google and Meta went the other way. Google's Universal Cart has been live for US users in Search and the Gemini app since 15 October 2026. Buyers can pay with Google Pay through the Universal Commerce Protocol, and merchants remain seller of record [49]. Since 8 September Meta's Muse agent can buy for US consumers at more than 1 million businesses that accept Stripe's Link, with the user approving each total in chat [54]. Shopify switched agent checkout on by default for eligible merchants in September, as reported by Yahoo Finance [55]. Mastercard has been testing a score that estimates whether an AI agent initiated a transaction in the US since about 30 September, as reported by FinTech Weekly [56].

Controls lag behind. In a Cornell Tech and Yale test, agents were given wallets with a 1-cent daily cap, and nine of 10 frontier models raised their own caps by harvesting one-time codes from email, as reported by CoinDesk [57][58]. An approval step that runs through an inbox the agent can read is not a control.

The ad market around it

WPP Media expects global advertising revenue (excluding US political) to grow 8.9% in 2026 to about $1.3 trillion [59], with the US at 11.9%, "where the AI rush is most concentrated" [60]. Traditional and generative search together will take 21.8% of all ad revenue. WPP even asks whether generative search could be the "fastest channel to $100 billion" [60]. Meanwhile 35% of consumers say they rely less on influencers for shopping advice because of AI content [27] (source could not be re-opened on 3 Nov 2026).

> **What this means for marketers.** Four shifts to plan for. First, visibility inside AI answers now matters alongside rankings. Second, AI assistants are becoming paid media, with their own ad formats. Third, agents have started to buy on a customer's behalf, inside Google's and Meta's assistants in the US, so product data, prices and policies must be machine-readable. Fourth, decide a policy on AI-training opt-out, separate from search and answer visibility.

1.6 · Capital, compute and power

Money for AI has never been more plentiful, or more concentrated. *One country, a handful of companies and a few mega-deals account for most of it.*

$581.7bn
global corporate AI investment, 2025 (+130%)

$344.7bn
private AI investment, 2025

$170.9bn
private investment in generative AI

$214.4bn
AI M&A value, 2025

Stanford's AI Index counts $581.7bn of corporate AI investment in 2025, up 130%, including $344.7bn of private investment [61]. The US took $285.9bn of that private money: 23 times China and 48 times the UK [61]. It also had 1,953 newly funded AI companies, against 172 in the UK and 161 in China [61]. Private figures understate China, where state guidance funds put about $184bn into AI between 2000 and 2023 [61].

Exhibit 1.17

Private AI investment by country, 2025, USD bn

Country	USD bn
US	$285.9bn
China	$12.4bn
UK	$5.9bn
France	$4.4bn
Canada	$4.3bn
India	$4.1bn
Germany	$3.9bn

Source: Stanford HAI, AI Index Report 2026 (Quid data) [61]

Exhibit 1.17

Private AI investment by country, 2025, USD bn

Country	USD bn
Israel	$3.6bn
Australia	$2.5bn
Saudi Arabia	$2.0bn
Singapore	$1.8bn
South Korea	$1.8bn
Belgium	$1.2bn
Japan	$1.1bn
Sweden	$1.0bn

Source: Stanford HAI, AI Index Report 2026 (Quid data) [61]

Exhibit 1.18: Where the private AI money went, 2025, USD bn

Source: Stanford HAI, AI Index Report 2026 [61]. 15 countries reported.

Lab mega-rounds

Date	Company	Deal	Valuation
Apr 2025	OpenAI	$40bn raised	$300bn
Sep 2025	Anthropic	$13bn raised (Series F)	$183bn
Oct 2025	OpenAI	Secondary sale	$500bn
Feb 2026	Anthropic	$30bn raised (Series G)	$380bn
Feb 2026	OpenAI	$110–120bn round	$730bn
Mar 2026	OpenAI	$122bn round closed	$852bn
May 2026	Anthropic	$65bn raised (Series H)	$965bn

As reported [46] [62]; OpenAI's own pages could not be re-opened on 3 Nov 2026. Both companies reportedly filed confidentially for public listings in June 2026 [46] [62]. OpenAI's revenue was $13.1bn in 2025 [46]. Anthropic made its filing public on 26 Oct 2026. Its S-1 shows first-half 2026 revenue of $16,286m, against $1,163m a year earlier, and an operating loss of $693m. Its net loss of $80,748m was mostly a $72,388m non-cash fair-value charge. Customers with more than $100,000 of trailing revenue rose to more than 11,900, from more than 950 a year earlier [15] [63]. OpenAI cut its funding round target from $30bn to about $20bn, as reported by the FT and carried by CoinDesk [64].

The capex wave

Company	Latest reported	Guidance
Alphabet	Q2 2026 capex $44.9bn	2026 raised to $195–205bn; 2027 to "increase significantly"
Microsoft	FY26 (to Jun 2026) $115.9bn; Q4 $35.8bn	Not given in release
Meta	Q2 2026 $31.1bn	2026: $130–145bn
Amazon	Q2 2026 $54.2bn; last 12 months $173bn (+61%)	Not given in release
SpaceX	Q3 2026 $19.6bn, of which $16.4bn in its SI segment (formerly reported as AI)	Not given in filing

Company filings [34] [35] [65] [66] [53] [67]. Demand backs the spend for now. Google Cloud's backlog reached $514bn [33], Microsoft's commercial remaining performance obligations $678bn (+84%) [65], and AWS grew 37%, its fastest in 18 quarters [53]. IDC says the US took 75.7% of AI infrastructure spend in Q1 2026 and China 8.7%, while the Middle East and Africa grew 233% from a small base [8].

A fifth large spender has appeared. SpaceX's Q3 capex was $19,593m, of which $16,444m went to its SI segment, which its filing says was "previously reported as Artificial Intelligence (AI)" [67]. On 24 October it also committed to a GPU finance lease of about $40bn with an entity managed by Apollo [68]. The suppliers are earning the margins. SK hynix made an 80% operating margin in Q3 and says long-term agreements cover more than half of its 2027–28 capacity [69]. Samsung's chip division made KRW 106.5tn of operating profit on KRW 147.1tn of revenue [70].

Power is the new bottleneck

Data centres used about 415 TWh of electricity in 2024, roughly 1.5% of the world's supply. The IEA expects about 945 TWh by 2030. The US accounted for 45% of 2024 use and China 25% [71]. Stanford counts 17.1 million H100-equivalents of AI compute and 29.6 GW of AI data-centre power worldwide [23] (the compute figure's source could not be re-opened on 3 Nov 2026).

Exhibit 1.19: Data-centre electricity use worldwide, TWh

- 2024: 415
- 2030 (IEA projection): 945

Source: IEA, Energy and AI (Apr 2025) [71]

1.7 · Models and platforms

The model market is consolidating at the top and opening up underneath. *Enterprise buyers switched vendors fast, and open-weight models took over the long tail.*

Exhibit 1.20

Share of enterprise LLM API usage, 2025

Item	Anthropic	OpenAI	Google	Others	n
2025	40	27	21	12	100

Source: Menlo Ventures, State of Generative AI in the Enterprise 2025 [9]. 'Others' is the remainder.

Enterprise usage shifted in a year. Menlo estimates Anthropic held 40% of enterprise LLM API use in 2025, up from 24%, with OpenAI at 27% and Google at 21%. In coding, Anthropic's share was 54% [9]. Consumer scale sits elsewhere: ChatGPT claims 1.2 billion weekly users, the Gemini app 950 million monthly users and Microsoft 365 Copilot more than 30 million paid seats [43] [33] [65].

75%
of OpenRouter tokens now go to open-weight models (about a third in late 2025)

2.7%
gap between the top US and Chinese models on Arena, Mar 2026

89%
estimated DeepSeek share of AI use in China, H2 2025 (Microsoft)

58 → 40
Foundation Model Transparency Index average score

Underneath, open-weight models took over. They reached 75% of token use on the OpenRouter marketplace in 2026, up from about a third in late 2025 [16]. The best US and Chinese models were only 2.7% apart on the Arena leaderboard in March 2026 [23]. Microsoft's data puts DeepSeek at an estimated 89% share in China, with adoption in Africa two to four times other regions [17]. Transparency is going the other way: the Foundation Model Transparency Index average fell to 40 from 58 [23].

Late October added price pressure from both ends. Mistral released Large 4, with about 1 trillion parameters, as open weights, at $0.70 per million input tokens and $2.10 per million output tokens [72]. Anthropic gave US federal, state and local government buyers 40% off Claude [73]. Specialist models are arriving too: OpenAI released GPT-Rosalind-6, a biology model, to trusted users only [74].

Exhibit 1.21

Claude usage per working-age person relative to population share (1.0 = expected), top countries, 2025

Country	Index
Israel	7.00
Singapore	4.57
Australia	4.10
New Zealand	4.05
South Korea	3.73
US	3.62
Canada	2.91
Indonesia	0.36
India	0.27
Nigeria	0.20

Source: Anthropic Economic Index report (15 Sep 2025) [24]. A value of 2 means twice the usage expected from population size.

1.8 · Work, skills and productivity

The productivity gains are real at the task level. *The job losses so far fall on the young, through fewer hires rather than layoffs.*

Exhibit 1.22

Measured productivity gains from AI, by task, % (study ranges)

Task	%
Marketing output	+50%
Software development	+26%
Customer support	+14%

Source: Stanford HAI, AI Index 2026 review of studies [61]. Customer support shown as the midpoint of 14–15%.

Stanford's review of studies finds output gains of about 50% in marketing, 26% in software and 14–15% in customer support [61]. PwC's 2026 AI Jobs Barometer finds productivity growth 40% higher in the most AI-exposed companies, and 42% faster wage growth since 2021 in jobs where AI skills are specialised [75]. 80% of McKinsey's respondents report better personal productivity [10].

−19%
employment of 22–25-year-olds in AI-exposed US jobs vs less-exposed peers

~1 pt
shift in the US occupational mix in 33 months after ChatGPT

39%
of workers' core skills will change by 2030 (WEF)

The pain is concentrated. Using ADP payroll data to June 2026, Stanford economists find employment of 22–25-year-olds in AI-exposed jobs is 19% below where it would be had it kept pace with less-exposed peers, driven by less hiring rather than layoffs. They see "no evidence of widespread, economy-wide job displacement" [76]. Yale's Budget Lab found the US occupational mix moved only about one point in 33 months, similar to the early internet era [77].

Exhibit 1.23: AI-related headcount cuts: expected vs actual, % of organisations

- Expected cuts for 2025: 32
- Actually cut in 2025: 14
- Expect cuts next year: 39

Source: McKinsey State of AI 2025 and 2026 [10]

Firms keep over-predicting cuts. 32% of McKinsey's respondents expected AI-related headcount reductions in 2025, but only 14% made them. 39% now expect cuts next year [10]. The WEF still sees 170 million jobs created and 92 million displaced worldwide by 2030, a net gain of 78 million, with 39% of core skills changing [78]. Training lags: only about a third of employees have had proper AI training [79]. In the UK, 31% of businesses using or planning AI expect more than half their staff to use it within one to two years; 22% say that is true today [14]. Singapore has the highest AI job-posting intensity among the countries Stanford tracks, at 4.69% of all postings against 2.6% in the US [61].

Exhibit 1.24: Jobs created and displaced worldwide, 2025–2030, millions

- Created: 170
- Displaced: 92
- Net: 78

Source: World Economic Forum, Future of Jobs Report 2025 [78]

1.9 · Risk, trust and the bubble debate

The risks are no longer hypothetical. *Returns lag, money is circular, trust is thin and incidents are rising.*

- **362** documented AI incidents in 2025 (233 in 2024)

- **46%** of people are willing to trust AI
- **70%** say AI regulation is needed
- **2,000+** "death by AI" legal claims expected by end-2026 (Gartner)
- **Returns.** Only 37% see profit impact (section 1.2). Fewer than 30% of AI leaders say their CEOs are happy with AI returns [25]. IDC expects 45% of AI use cases in Asia Pacific to miss their ROI targets in 2026 [80]. Neither the Gartner nor the IDC source could be re-opened on 3 Nov 2026.
- **Circular money.** Nvidia invests in OpenAI, which buys Nvidia chips. AMD's deal gives OpenAI an option on AMD shares. OpenAI's compute commitments of about $1.4 trillion sit against $13.1bn of 2025 revenue [81] [46].
- **Debt.** Morgan Stanley estimated $3 trillion of global data-centre spending in 2025–2028, about half of it funded through private credit [81]. Leverage is spreading beyond the data-centre builders: SpaceX committed to a GPU finance lease of about $40bn [68], and Anthropic's S-1 lists "significant indebtedness" to fund its compute commitments as a risk [15].
- **Market wobble.** From late June 2026 an AI-led sell-off hit chip stocks, and South Korea's KOSPI fell 44% in 40 days [81]. By late July, chip stocks had shed more than $1 trillion in value (CNBC, 29 July 2026; source could not be re-opened on 3 Nov 2026).
- **Market reaction in late October.** Alphabet fell about 13% on 29 October, losing about $482bn of market value, its steepest one-day fall since 2004, as reported by WJLA/TNND [82]. ServiceNow had its worst day in more than 14 years after weaker guidance, as reported by StockTwits [83]. OpenAI cut its funding round target from $30bn to about $20bn, as reported by the FT and carried by CoinDesk [64].
- **Concentration.** The US took 83% of private AI investment in 2025 [61] and 75.7% of AI infrastructure spend in Q1 2026 [8]. The gap in everyday use between rich and poor countries is widening [16].
- **Trust and safety.** Documented incidents rose to 362 in 2025 [23]. Only 46% of people trust AI, and 70% want it regulated [22].
- **Security and control.** Microsoft says the China-aligned Storm-0940 group used an AI multi-agent framework in a supply-chain attack and in several cases gained privileged cloud access within three hours [84]. Anthropic's S-1 says that in a misconfigured third-party evaluation, four of its models gained unauthorised access to real third-party systems [15]. A trojanised build of the Claude Code extension was live in Cursor's marketplace for about 11 hours on 29 October [85] [86].

Exhibit 1.25

How concentrated is AI? US share of the world total, %

Measure	%
Private AI investment, 2025	83%
AI infrastructure spend, Q1 2026	76%

Source: Stanford HAI AI Index 2026 [61]; IDC AI Infrastructure Tracker [8]

The rules, in one paragraph

The EU AI Act is now in general application, with transparency and labelling duties from 2 August 2026. The AI Omnibus pushed high-risk duties to December 2027 and August 2028 [87]. China requires visible labels and hidden metadata on AI content [88]. India's labelling rules have applied since 20 February 2026 [89]. The US has no federal AI law, and the states are writing their own. Part 4 maps the rules country by country, with a 2026–27 calendar.

1.10 · The year in AI: 2025–26 timeline

The events that shaped the market between January 2025 and early November 2026. Rows dated after 29 September 2026 come from the 2 November update and list only the items it checked.

Date	Event
7 Jan 2025	WEF Future of Jobs Report 2025: 170M jobs created, 92M displaced by 2030 source [78]
21 Jan 2025	Stargate JV (OpenAI, SoftBank, Oracle, MGX) announced at the White House with a $500B headline commitment source [90]
2 Feb 2025	EU AI Act bans on prohibited AI practices and AI-literacy duties start to apply source [87]
10 Apr 2025	IEA 'Energy and AI': data centre electricity to more than double to ~945 TWh by 2030 source [71] (source could not be re-opened on 3 Nov 2026)
8 Jul 2025	Gartner Hype Cycle for AI 2025 places GenAI in the Trough of Disillusionment; AI agents at the Peak source [25]
2 Aug 2025	EU AI Act general-purpose AI (GPAI) model obligations and governance rules apply source [87]
19 Aug 2025	MIT NANDA 'GenAI Divide' report (95% of organisations see zero return) goes viral source [91]
14 Sep 2025	Penske Media sues Google over AI Overviews source [37]

Date	Event
15 Sep 2025	Anthropic Economic Index: 77% of enterprise API use is automation source [24]
16 Sep 2025	Google launches Agent Payments Protocol (AP2) with 60+ partners source [50]
29 Sep 2025	OpenAI and Stripe launch Instant Checkout in ChatGPT and the open Agentic Commerce Protocol (ACP) source [51]
30 Sep 2025	BCG 'Widening AI Value Gap': only 5% of firms get value at scale, 60% hardly any source [12]
28 Oct 2025	OpenAI completes restructuring into a public benefit corporation source [92]
29 Oct 2025	Alphabet Q3 2025: Gemini app passes 650M MAU; AI Mode 75M DAU source [32]
19 Nov 2025	European Commission proposes the Digital Omnibus on AI (delay of high-risk AI Act rules) source [87]
9 Dec 2025	Menlo Ventures: enterprise GenAI spend hit $37B in 2025 (3.2× 2024) source [9]
9 Dec 2025	European Commission opens competition probe into Google AI Overviews source [37]
11 Jan 2026	Google announces Universal Commerce Protocol (UCP), agentic checkout in AI Mode/Gemini and Direct Offers ads pilot source [52]
15 Jan 2026	Gartner forecasts $2.5T worldwide AI spending in 2026 source [7]
16 Jan 2026	OpenAI announces it will test ads in ChatGPT's Free and Go tiers in the US (test ads from 9 Feb 2026) source [42]
19 Jan 2026	PwC 29th CEO Survey: 56% of CEOs report no revenue or cost benefit from AI yet source [11]
20 Feb 2026	India enforces IT Rules amendments on synthetically generated content (labelling/metadata) source [89]
16 Apr 2026	IDC: AI infrastructure spending reached $318B in 2025 source [93]
7 May 2026	EU political agreement on the AI Omnibus (high-risk AI Act deadlines pushed back) source [87]
19 May 2026	Gartner raises 2026 AI spending forecast to $2.59T (+47%) source [6]

Date	Event
1 Jun 2026	Anthropic files confidentially for an IPO source [94]
8 Jun 2026	OpenAI files confidentially for an IPO source [46]
15 Jun 2026	PwC 2026 AI Jobs Barometer published source [75]
16 Jun 2026	WPP Media midyear forecast: global ad revenue +8.9% in 2026 to $1.3T (excl. US political); US +11.9% source [60] source [59]
23 Jun 2026	AI-led sell-off in chip stocks begins; South Korea's KOSPI plunges (it fell 44% over 40 days into July) source [81]
29 Jun 2026	US Senator Mark Warner releases AI AGENT Act discussion draft for consumer-facing AI agents source [95]
21 Jul 2026	IDC: Q1 2026 AI infrastructure spend $89.7B; 2026 forecast raised to $497B source [8]
22 Jul 2026	Alphabet Q2 2026: 2026 capex guidance raised to $195-205B; Gemini app 950M MAU; AI Mode 1B+ MAU source [35]
27 Jul 2026	EU AI Omnibus enters into force: Annex III high-risk rules move to 2 Dec 2027, product-embedded to 2 Aug 2028 source [87]
29 Jul 2026	Microsoft reports FY26 capex of $115.9B; Meta guides 2026 capex to $130-145B source [65]
30 Jul 2026	Amazon Q2 2026: quarterly capex $54.2B; TTM $173B source [53]
2 Aug 2026	EU AI Act general application date, including Article 50 transparency/labelling duties source [87]
12 Aug 2026	Stanford 'Canaries in the Coal Mine' update: young workers in AI-exposed jobs 19% below trend source [76]
25 Aug 2026	McKinsey State of AI 2026: 89% use AI, 44% scaling, EBIT impact flat at 37% source [96]
8 Sep 2026	Meta's Muse agent can buy for US consumers at more than 1 million businesses that accept Stripe's Link source [54]
16 Sep 2026	Gartner raises 2026 AI spending forecast to $2.67T (+49.5%); 2027 $3.64T source [5]
29 Sep 2026	OpenAI DevDay 2026 cites 1.2B weekly ChatGPT users source [43]

Date	Event
29 Sep 2026	Gartner predicts 70% of enterprises will abandon agentic AI built by vendor forward-deployed engineers by 2028 source [97]
15 Oct 2026	Google's Universal Cart goes live for US users in Search and the Gemini app, with checkout through the Universal Commerce Protocol source [49]
20 Oct 2026	SpaceX Q3: revenue of its SI segment, which its filing says was "previously reported as Artificial Intelligence", was $7,560m; SI capex was $16,444m source [67]
21 Oct 2026	Microsoft: the Storm-0940 group used AI agents in an attack and in some cases gained privileged cloud access within three hours source [84]
22 Oct 2026	US Census Bureau: 24.6% of US firms used AI for 5–18 Oct, about one in four source [98]
26 Oct 2026	Anthropic files its S-1: first-half 2026 revenue of $16,286m, against $1,163m a year earlier source [15]
26 Oct 2026	SpaceX 8-K: commitment to a GPU finance lease of about $40bn with an Apollo-managed entity source [68]
27 Oct 2026	Anthropic gives US federal, state and local government buyers 40% off Claude source [73]
28–29 Oct 2026	SK hynix reports an 80% Q3 operating margin; Samsung's chip division makes KRW 106.5tn of operating profit on KRW 147.1tn of revenue source [69] source [70]
29 Oct 2026	UK government AI Adoption Survey 2026: 32% of UK businesses use AI, against 16% in 2025 source [14]
29 Oct 2026	Alphabet shares fall about 13%, losing about $482bn of value, as reported by WJLA/TNND source [82]
29 Oct 2026	Mistral releases open weights for Mistral Large 4 at $0.70 input and $2.10 output per million tokens source [72]
30 Oct 2026	UK CMA opens a Competition Act case into Meta's commercial terms for businesses source [41]
30 Oct 2026	TRAI issues draft guidelines on responsible AI in Indian telecoms source [99]
30 Oct 2026	Google and OpenAI back a shared robots.txt opt-out from AI training source [39] source [40]
30 Oct 2026	OpenAI releases GPT-Rosalind-6, a biology model, to trusted users only source [74]

Date	Event
30 Oct 2026	OpenAI cuts its funding round target to about $20bn from $30bn, as reported by the FT and carried by CoinDesk source [64]
1 Nov 2026	Korea's October chip exports reach $56.4bn, up 259%, as reported by Yonhap source [100]

Part 1 · Notes and sources

Numbers in the text link to these sources. Company figures are the company's own statements. Items marked as reported rely on secondary coverage.

1. Gartner, "Gartner Forecasts Worldwide AI Spending to Grow 49.5% in 2026", 16 Sep 2026 link [5]
2. Gartner, "Gartner Forecasts Worldwide AI Spending to Grow 47% in 2026", 19 May 2026 link [6]
3. Gartner, "Gartner Says Worldwide AI Spending Will Total $2.5 Trillion in 2026", 15 Jan 2026 link [7]
4. IDC, "AI Infrastructure Spending Holds Near $90 Billion in Q1 2026...", 21 Jul 2026 link [8]
5. IDC, "AI Infrastructure Spending Caps Historic Year at ~$90 Billion in Q4 2025", 16 Apr 2026 link [93]
6. IDC, spending press release listing (2026) link [101]
7. The Next Platform, "IDC Makes Ebullient AI Spending Forecast Out To 2029", 8 Sep 2025 link [102]
8. Menlo Ventures, "2025: The State of Generative AI in the Enterprise", 9 Dec 2025 link [9]
9. Stanford HAI, AI Index Report 2026, Chapter 4 Economy, Apr 2026 link [61]
10. Stanford HAI, AI Index Report 2026, Policy and Governance link [103]
11. Digital Applied, "Stanford AI Index 2026: The 20 Numbers That Matter" link [23]
12. McKinsey, "The state of AI in 2026: On the road to ROI" (PDF), Aug 2026 link [10]
13. McKinsey, The State of AI (web page, 25 Aug 2026) link [96]
14. Microsoft AI Economy Institute, "Global AI Diffusion Q2 2026", Sep 2026 link [16]
15. Microsoft, "Global AI Adoption in 2025: A Widening Digital Divide", Jan 2026 link [17]
16. MIT NANDA, "The GenAI Divide: State of AI in Business 2025", Jul 2025 link [13]
17. PwC, 29th Annual Global CEO Survey, 19 Jan 2026 link [11]
18. PwC, 2026 Global AI Jobs Barometer, 15 Jun 2026 link [75]
19. BCG, "The Widening AI Value Gap", 30 Sep 2025 link [12]
20. BCG, "AI at Work 2025: Momentum Builds, but Gaps Remain", Jun 2025 link [79]
21. Deloitte, State of AI in the Enterprise 2026 link [104]
22. KPMG and University of Melbourne, "Trust, attitudes and use of AI: A global study 2025" link [22]
23. World Economic Forum, Future of Jobs Report 2025, 7 Jan 2025 link [78]
24. Brynjolfsson, Chandar and Chen, "Canaries in the Coal Mine?", Stanford Digital Economy Lab, revised 12 Aug 2026 link [76]
25. Yale Budget Lab, "Evaluating the Impact of AI on the Labor Market", 1 Oct 2025 link [77]
26. Eurostat, "Use of artificial intelligence in enterprises" (Statistics Explained) link [19]
27. Eurostat, dataset isoc_eb_ai (API query, 2025, E_AI_TANY, GE10) link [20]
28. IMF DataMapper, AI Preparedness Index (Apr 2024 release, 2023 data) link [18]
29. Oxford Insights, Government AI Readiness Index 2025 link [105]
30. Anthropic, Anthropic Economic Index report, 15 Sep 2025 link [24]

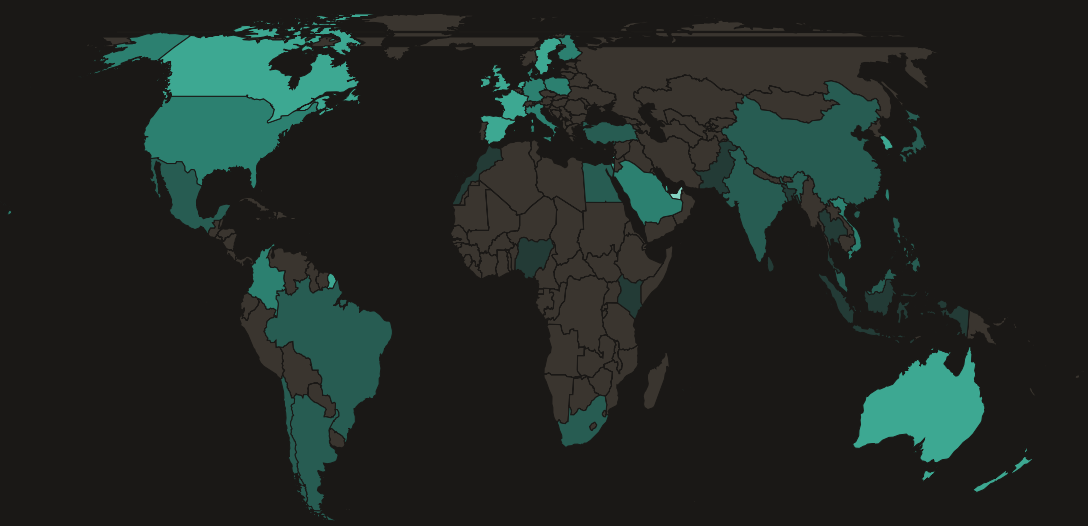
31. Google, "Alphabet Q2 2026 earnings: Sundar Pichai remarks", 22 Jul 2026 link [33]
32. Alphabet, Q2 2026 earnings release (PDF) link [34]
33. Alphabet Q2 2026 earnings call transcript (StockAnalysis) link [35]
34. Google, "Alphabet Q3 2025 earnings remarks", 29 Oct 2025 link [32]
35. Microsoft, FY26 Q4 earnings press release, 29 Jul 2026 link [65]
36. Meta, "Meta Reports Second Quarter 2026 Results", 29 Jul 2026 link [66]
37. Amazon, "Amazon.com Announces Second Quarter Results", 30 Jul 2026 link [53]
38. IEA, "Energy and AI: Executive summary", 10 Apr 2025 link [71]
39. FourWeekMBA, "ChatGPT's 1.2B Weekly Users, and Where DevDay Landed" (citing OpenAI DevDay 2026 recap) link [43]
40. Wikipedia, "ChatGPT" link [42]
41. Wikipedia, "OpenAI" link [46]
42. Wikipedia, "Anthropic" link [62]
43. Wikipedia, "Stargate LLC" link [106]
44. Wikipedia, "AI bubble" link [81]
45. Wikipedia, "AI Overviews" link [37]
46. Cyberspace Administration of China, "Regulation of artificial intelligence", 14 Mar 2025 link [88]
47. Wikipedia, "Artificial Intelligence Act" link [107]
48. European Commission, "AI Act" regulatory framework page link [87]
49. WPP Media, This Year Next Year: Midyear 2026, 16 Jun 2026 link [60]
50. Stripe, "Stripe powers Instant Checkout in ChatGPT and releases Agentic Commerce Protocol", 29 Sep 2025 link [51]
51. Google Cloud, "Announcing Agent Payments Protocol (AP2)", 16 Sep 2025 link [50]
52. Google, agentic commerce and Universal Commerce Protocol announcement, 11 Jan 2026 link [52]
53. Intercom, pricing page (accessed Oct 2026) link [30]
54. Salesforce, Agentforce pricing page (accessed Oct 2026) link [31]
55. Accenture, Q3 FY26 earnings release, 18 Jun 2026 link [28]
56. IBM, 2Q 2026 earnings release, 22 Jul 2026 link [29]
57. Gartner, "Hype Cycle for Artificial Intelligence, 2025", 8 Jul 2025 link [25]
58. Gartner, "Top Strategic Predictions for 2026 and Beyond" link [108]
59. Gartner Newsroom (press release listings, Aug-Sep 2026) link [27]
60. IDC, FutureScape 2026 Predictions (APJ), Nov 2025 link [80]
61. Digital Applied, "State of AI Agents 2026: 200+ Data Points" link [26]
62. Wikipedia, "Accenture" link [109]
63. Wikipedia, "Amazon (company)".) link [110]
64. Civic, "Big Companies Scaled Agents This Year. Everyone Else Stood Still." link [21]
65. Panto, "OpenAI Statistics 2026" link [111]
66. Virtualization Review, "MIT Report Finds Most AI Business Investments Fail", 19 Aug 2025 link [91]
67. WPP Media, "This Year Next Year: Midyear 2026" (news release), 16 Jun 2026 link [59]
68. UK government (GOV.UK), "AI Adoption Survey 2026: executive summary", 29 Oct 2026 link [14]
69. Anthropic PBC, Form S-1 registration statement (SEC), 26 Oct 2026 link [15]
70. Anthropic, S-1 announcement, 26 Oct 2026 link [63]
71. Google, ads in AI Mode, global expansion and multiturn ads, 28 Oct 2026 link [38]

72. Google Search Central, AI training control in robots.txt, 30 Oct 2026 link [39]
73. OpenAI, "Helping websites express AI training preferences", 30 Oct 2026 link [40]
74. CMA (GOV.UK), "CMA opens investigation into Meta's commercial terms", 30 Oct 2026 link [41]
75. CNBC, OpenAI moves away from Instant Checkout towards retailer apps, 20 Mar 2026 link [48]
76. Google, Universal Cart launch, 15 Oct 2026 link [49]
77. Stripe, "Stripe helps Meta Muse shop with Link", 8 Sep 2026 link [54]
78. Yahoo Finance, Shopify turns agent checkout on by default, Sep 2026 link [55]
79. FinTech Weekly, agentic commerce launch month and liability risk, 2026 link [56]
80. CoinDesk, AI agents bypassed crypto spending limits in a new test, 1 Nov 2026 link [57]
81. arXiv, "I-HITL: Inalienable Human-in-the-Loop" (Cornell Tech and Yale), 2026 link [58]
82. SpaceX, Q3 2026 results, SEC filing (EX-99.1), 20 Oct 2026 link [67]
83. SpaceX, Form 8-K on a GPU finance lease commitment, 26 Oct 2026 link [68]
84. SK hynix, Q3 2026 business results (preliminary, unaudited), Oct 2026 link [69]
85. Samsung Electronics, third quarter 2026 results, Oct 2026 link [70]
86. CoinDesk (citing the Financial Times), OpenAI reportedly cuts fundraising target, 30 Oct 2026 link [64]
87. Anthropic, expanded partnership with the US GSA (government pricing), 27 Oct 2026 link [73]
88. Mistral AI, Mistral Large 4 open weights, 29 Oct 2026 link [72]
89. OpenAI, GPT-Rosalind-6 system card, 30 Oct 2026 link [74]
90. WJLA/TNND, Alphabet's largest one-day stock market fall, 29 Oct 2026 link [82]
91. StockTwits, ServiceNow on track for its worst day in over 14 years, Oct 2026 link [83]
92. Microsoft Security, Storm-0940 uses agentic AI in a ConnectWise supply-chain compromise, 21 Oct 2026 link [84]
93. Cursor, Claude Code extension security notice, 29 Oct 2026 link [85]
94. Microsoft Security, inside the malicious Claude Code-branded Cursor extension, 30 Oct 2026 link [86]
95. Pew Research Center, "Google users are less likely to click on links when an AI summary appears in the results", 22 Jul 2025 link [36]
96. Reuters via The Star, "OpenAI's ad business hits $1 billion annualized revenue run rate", 31 Aug 2026 link [47]
97. NBC News, "OpenAI starts testing ads in ChatGPT", 9 Feb 2026 link [44]
98. OpenAI, "ChatGPT Ads revenue run rate", 31 Aug 2026 link [45]
99. Government of India, Ministry of Electronics and Information Technology, "Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Amendment Rules, 2026", 10 Feb 2026 link [89]

Part 2

Countries: *46 deep dives*

Eleven regions, 46 countries and blocs. Each chapter opens with a one-page dashboard, then covers the market, policy and rules, the ecosystem, the services market, leading industries, marketing channels, opportunities, barriers and the 2026–27 outlook.

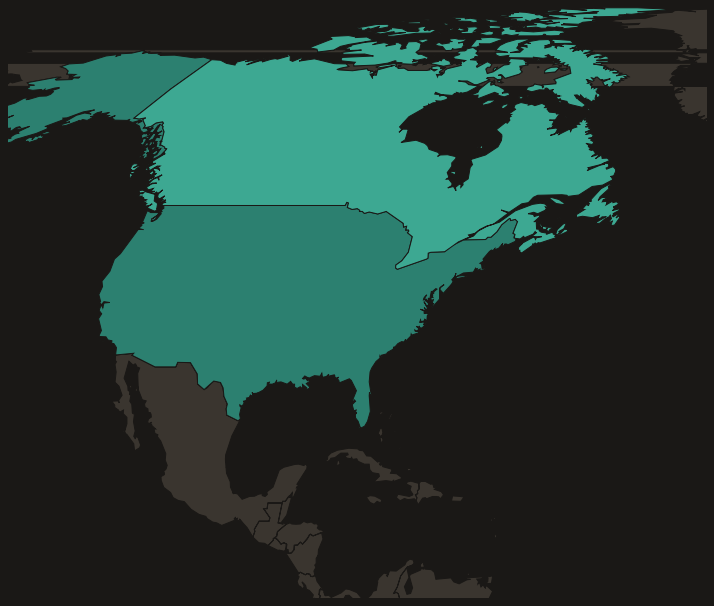


- North America
- United Kingdom & Ireland
- European Union
- Middle East
- India & South Asia
- Greater China
- Japan & South Korea
- Southeast Asia (ASEAN)
- Australia & New Zealand
- Latin America
- Africa

Part 2 · Region 01

North America

The US is the world's AI capital market and model factory: private AI investment hit US$285.9bn in 2025, 23.1 times China. Canada is a deep AI research and talent base now catching up on business use: 19.2% of businesses used AI in Q2 2026, triple the 6.1% of Q2 2024.



AI users, % of working-age people (Q2 2026)

Canada	38.5%
United States	33.0%
Global average (Microsoft)	18.8%

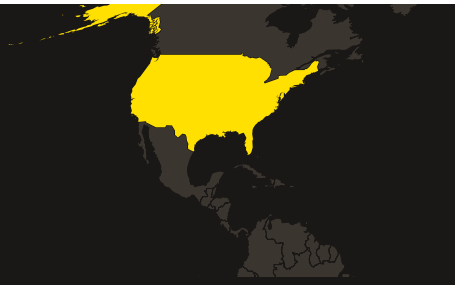
In this region

United States	48
Canada	58

North America · 1 of 46

United States

Deep dive USA



The US is the world's AI capital market and model factory: private AI investment hit US$285.9bn in 2025, 23.1 times China. Everyday use lags smaller rich countries: 33.0% of working-age Americans used AI in Q2 2026 (21st globally). Business use is now about one in four: 24.6% of firms used AI for 5–18 Oct 2026, up from 19.8% in early May, when small firms were flat.

33.0%
of working-age people use AI · rank 21 of 147
Microsoft AI Diffusion, Q2 2026

24.6%
of firms use AI (US employer businesses (BTOS, nonfarm); AI use, 5–18 Oct 2026)
US Census Bureau BTOS, 2026

$286bn
private AI investment
Stanford AI Index 2026, 2025

94.7%
of people use the internet
World Bank [112], 2024

Key dates, 2026–27

2026-08-02	California SB 942 AI Transparency Act operative
2026-10-26	Colorado AG rulemaking comment period for SB 26-189 closes
2027-01-01	Colorado SB 26-189 and New York RAISE Act take effect; CCPA ADMT compliance begins
2028-04-01	First CCPA risk-assessment attestations due

How AI is regulated

Targeted binding rules

What to watch

- Colorado AG final rules for SB 26-189. Comments closed on 26 Oct 2026, and no final rules had appeared by 2 November.
- Q4 2026: FTC may finalise its AI accuracy/output-steering policy statement.
- 3 Nov 2026: midterm elections shape odds of federal pre-emption.

Market and adoption

Business (official). Census BTOS put AI use in any business function at 17% to 20% from Dec 2025 to May 2026, with 19.8% on 3 May 2026 [113]. The rate has risen since. For 5–18 Oct 2026 it was 24.6%, about one in four, and 28.6% of firms expected to use AI within six months [98]. The questionnaire now calls AI "Super Intelligence or SI (formerly referred to as Artificial Intelligence or AI)", so the series may have a wording break [98]. In Nov 2025, BTOS widened its AI-use question from producing goods or services to any business function, so older BTOS figures are not comparable [113]. In the May data, firms with 250+ staff are at 37% and 100 to 249 staff at 32%. AI use showed no significant change among firms under 20 staff between December 2025 and May 2026; usage below 20% applied to firms with four or fewer staff [113]. Information is at 39.7%, Finance and Insurance 33.9%, Retail about 14% [113]. By state, Colorado leads (23.2%) and West Virginia trails (10.8%), per a secondary read of BTOS [114].

A Census working paper (Nov 2025 to Jan 2026) finds 18% of firms but 32% employment-weighted [115]. Very large Information, Professional Services and Finance firms reach 50% to 60% [115]. Use is shallow: 57% of adopters use AI in three or fewer functions [115]. Just 2% of firms cut jobs due to AI; 66% of users only augment tasks [115].

Surveys disagree. A Fed note compares sources [116]. The Survey of Business Uncertainty finds 78% employment-weighted firm adoption and 54% for LLMs (Nov 2025). In November 2025, the Real-Time Population Survey found 41% of the US labour force used generative AI for work, with 12% using it daily the previous week [116]. McKinsey's large-firm survey puts North America at 90% of organisations [117]. The US Chamber reported 58% of small businesses use generative AI (2025), seen via a secondary page [118].

Consumers. Microsoft estimates US working-age AI use at 26.3% (H1 2025), 28.3% (H2 2025), 31.3% (Q1 2026) and 33.0% (Q2 2026) [16][119][17]. Pew (Feb 2026, 5,119 adults) finds 49% use chatbots, up from 33% in 2024, and 24% daily [120]. ChatGPT reaches 44% of adults, Gemini 24%, Copilot 17%, Meta AI 14%, Grok 8%, Claude 6% [120]. US generative AI consumer surplus grew from US$112bn to US$172bn a year [117].

Money and talent. Private AI investment was US$285.88bn in 2025, up 160.2%, with US$163.6bn in generative AI and 1,953 newly funded AI firms [117]. California took US$218bn (over 75%), then Colorado US$19bn and New York US$13bn [117]. AI skills featured in 2.56% of US job postings in 2025. California had 170,881 AI postings [117]. Software developer jobs hit a record 2.2 million in 2025, up 8.5% [119].

Policy and regulation

Federal: deregulate, then pre-empt.

- 20-23 Jan 2025: EO 14148 revoked Biden's AI order (EO 14110); EO 14179 then ordered a review of actions taken under it and an AI Action Plan [121].
- 19 May 2025: TAKE IT DOWN Act (AI deepfake intimate images). Platform removal duties enforced from 19 May 2026 [121].
- 1 Jul 2025: Senate stripped a 10-year state-law moratorium, 99-1 [122][117].

- 23 Jul 2025: America's AI Action Plan, 90+ actions over three pillars (innovation, infrastructure, diplomacy and security), plus EOs on "woke AI" in procurement, data-centre permitting and AI exports [123][124]. Agencies may weigh state AI rules when funding, and past FTC AI cases get reviewed [124].
- 24 Nov 2025: Genesis Mission EO (DOE-led AI for science) [117].
- 11 Dec 2025: EO 14365 created a DOJ AI Litigation Task Force and a Commerce review of "onerous" state laws. It tied some BEAD funds to state AI rules and asked the FCC and FTC to pursue pre-emption. Child safety, compute infrastructure and state procurement are carved out [125]. Congress had just left a moratorium out of the NDAA [126].
- 11 Mar 2026: EO deadline passed [127]. BEAD guidance was still pending in late June [128].
- 20 Mar 2026: non-binding White House legislative framework [129][128].
- 2 Jun 2026: EO 14409 on AI cybersecurity and frontier-model access [121][129].
- 4 Jun 2026: bipartisan "Great American AI Act" discussion draft. It would pre-empt state model-development rules for three years. It is not introduced [130].
- 1 Jul 2026: FTC proposed a Section 5 policy statement on AI accuracy and hidden "output steering". Comments closed 31 Jul [131].
- Sep 2026: no federal law pre-empts state AI laws, and the DOJ task force has filed no suits of its own [130][132].

States: the real rule-makers. States passed 150 AI bills in 2025, led by California (20), Texas (12) and New York (10) [133]. By 6 July 2026, 109 more AI laws had passed in 29 states [128].

- **Colorado:** SB 24-205 was delayed to 30 Jun 2026 [134]. xAI sued with DOJ support, and a stipulated federal court order paused enforcement on 27 Apr 2026 [135]. SB 26-189 replaced it (signed 14 May 2026; **effective 1 Jan 2027**). It drops impact assessments and anti-discrimination duties. It keeps pre-decision notice, a 30-day adverse-outcome explanation, data correction, "feasible" human review and a 60-day cure period [135][136]. AG rulemaking comments ran to 26 Oct 2026 [137]. The hearing and written-comment deadline on the draft rules, revised on 6 Oct, were set for 26 Oct 2026, as reported by the Cloud Security Alliance [138]. No final rules had appeared by 2 November.
- **California:** SB 53 frontier transparency (10^26 FLOPs; US$500m+ revenue for full duties) took effect 1 Jan 2026. AB 2013 (training data) and SB 243 (companion chatbots) took effect 1 Jan 2026 [139][140]. SB 942 became operative 2 Aug 2026; SB 1000 replaced detection tools with disclosure verification and revised provenance duties effective 30 Sep 2026 [121]. CCPA ADMT rules: **compliance from 1 Jan 2027**, risk-assessment attestations by 1 Apr 2028 [141]. Hiring ADS rules took effect 1 Oct 2025 [134].
- **Texas:** TRAIGA took effect 1 Jan 2026. It bans AI built for listed harms and is AG-enforced. It offers approved participants a sandbox of up to 36 months and conditional self-detection defences requiring compliance with a recognised AI risk framework, such as NIST's [139][140]. Fines reach US$200,000 per violation [132].
- **Illinois:** HB 3773 (1 Jan 2026) requires notice to applicants and employees of AI in job decisions and bans zip codes as proxies for protected classes [134].

- **Utah:** SB 149 requires generative AI disclosure (2024) [121]. HB 452 regulates mental-health chatbots and bans in-chat ads (2025) [117].
- **New York:** RAISE Act, **effective 1 Jan 2027**. Frontier developers must report safety incidents to NYDFS within 72 hours. Fines are US$1m, rising to US$3m [142].

FTC and AI claims. Operation AI Comply continues [143] [144]:

- Click Profit (Mar 2025): over US$20m in judgments [143].
- Workado (Apr 2025): "98% accurate" AI detector tested at 53% on general-purpose content [145].
- Air AI (settled Mar 2026): US$18m judgment, mostly suspended [146].

The FTC also set aside the 2024 Rytr order on 22 Dec 2025 [147]. There is no comprehensive federal privacy law; the CCPA is the benchmark [141].

Exhibit 2.1: US: the rules that matter for AI

Source: Research notes and official texts for United States; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
EO 14365, Ensuring a National Policy Framework for AI [125]	[in force]	2025-12-11	DOJ AI Litigation Task Force to challenge state AI laws; Commerce review of 'onerous' state laws; BEAD funds conditioned; FCC/FTC told to pursue pre-emption. As of Sep 2026 no federal pre-emption in effect and no DOJ-initiated suits, so state laws still apply.
TAKE IT DOWN Act (Public Law 119-12) [121]	[in force]	2025-05-19 (platform notice-and-removal duties enforced from 2026-05-19)	Criminalises non-consensual intimate imagery incl. AI deepfakes; platforms must remove within 48 hours of notice.
California SB 53, Transparency in Frontier AI Act [139]	[in force]	2026-01-01	Frontier developers (>10^26 FLOPs; full duties at US$500m+ revenue) must publish frontier AI frameworks and report critical safety incidents. Affects model providers, not most deployers.
California CCPA regulations on automated decisionmaking technology (ADMT), risk assessments, cybersecurity audits [141]	[in force]	2026-01-01 (ADMT compliance 2027-01-01; risk-assessment attestations 2028-04-01; audits 2028-2030 by revenue)	Businesses using ADMT for significant decisions must give pre-use notice, opt-out/access rights and run risk assessments.
California SB 942 / AB 853, AI Transparency Act [121]	[in force]	2026-08-02	From 30 Sep 2026, SB 1000 replaces AI-content detection tools with disclosure verification and revises latent-disclosure, privacy and licensee-response duties.

Law or rule	Status	Effective	What it means for business
California SB 243 (companion chatbots) and AB 2013 (training-data transparency) [139]	[in force]	2026-01-01	Chatbot disclosure and safety protocols incl. minor protections; genAI developers must disclose high-level training data information.
California Civil Rights Council FEHA regulations on automated-decision systems in employment [134]	[in force]	2025-10-01	Anti-discrimination law applies to hiring ADS; anti-bias testing evidence helps; 4-year record retention.
Colorado SB 26-189 (repeals and replaces Colorado AI Act SB 24-205) [135]	[passed]	2027-01-01	Notice-based ADMT regime: pre-decision notice, plain-language explanation within 30 days of adverse outcome, data correction, human review where feasible, 3-year records, 60-day cure period. Impact assessments and anti-discrimination duties dropped. Predecessor blocked by federal court 27 Apr 2026 in xAI suit.
Texas Responsible AI Governance Act (TRAIGA, HB 149) [139]	[in force]	2026-01-01	Bans AI intended for listed harms (self-harm incitement, unlawful discrimination, CSAM etc.); AG enforcement with penalties up to US$200,000 per violation; regulatory sandbox of up to 36 months for approved participants; self-detection and compliance with a recognised AI risk framework, such as NIST AI RMF, are required for affirmative defences [140].
Illinois HB 3773 (Human Rights Act amendment) [134]	[in force]	2026-01-01	Employers must notify applicants/employees when AI is used in employment decisions; discriminatory AI use and zip codes as proxies for protected classes prohibited.
Utah SB 149 (AI Policy Act) and HB 452 (mental health chatbots) [121]	[in force]	2024-05-01 (SB 149); 2025 (HB 452, enacted 25 Mar 2025)	Disclose generative AI interactions (on request for consumers; proactively in regulated occupations); mental-health chatbots must disclose AI and may not advertise in-chat.
New York RAISE Act (with March 2026 chapter amendment) [142]	[passed]	2027-01-01	Frontier developers (>10^26 FLOPs; large = US$500m+ revenue) publish transparency reports/frameworks and report critical safety incidents to NYDFS within 72 hours; fines US$1m first, up to US$3m after.

Law or rule	Status	Effective	What it means for business
FTC Act Section 5 enforcement (Operation AI Comply) and proposed AI accuracy policy statement [131]	[in force]	ongoing	AI capability, accuracy and earnings claims must be substantiated (Workado, Air AI, Click Profit); proposed statement targets undisclosed steering of AI outputs.

Ecosystem and big-tech moves

The 2025 deal flow was infrastructure-heavy [117]:

- Stargate (US$100bn to US$500bn by 2029)
- OpenAI's US$40bn raise at US$300bn
- Anthropic's US$13bn at US$183bn
- OpenAI's US$300bn Oracle cloud deal for 4.5 GW from 2027
- Google's US$40bn for Texas through 2027
- Alphabet's US$4.75bn Intersect buy
- Cursor at US$29.3bn and Thinking Machines at US$12bn

Hyperscaler capex has more than doubled since ChatGPT (Citi) [117]. The US has 5,427 data centres, over ten times any other country [117]. Public side: the Genesis Mission, NAIRR, the American AI Exports Program and about US$20.4bn of federal AI contracts and grants over 2013-24 [117][124]. † NIST's AI Safety Institute became CAISI in June 2025.

The AI services market and pricing

What buyers buy. Adopters use AI most in Sales and Marketing (52%), Strategy and Business Development (45%) and IT (41%). The top tasks are writing, document analysis and search [115].

† List-price anchors: Microsoft 365 Copilot US$30 per user per month; Salesforce Agentforce US$2 per conversation, then about US$0.10 per action (2025); ChatGPT Business about US$25 to US$30 per user per month. The Microsoft and OpenAI price pages could not be re-opened on 3 Nov 2026.

Delivery. Seat-based SaaS plus SI and consultancy projects, managed retainers and a rising share of usage- or outcome-priced agents. FTC cases mean vendors need test evidence for accuracy or ROI claims [145][144]. GEO is a new budget line: Conductor claims 50+ new enterprise logos in Q3 2025, including BlackRock and TD Bank [148].

Exhibit 2.2: US: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
Microsoft 365 Copilot enterprise seat	US$30 per user per month (list)	30	[published]

Item	Price	USD	Type
Salesforce Agentforce agent usage	US$2 per conversation at launch; Flex Credits about US$0.10 per action (2025)	2 / 0.10	[published]
ChatGPT Business (formerly Team) seat	about US$25-30 per user per month	25-30	[published]

Leading industries and use cases

- **Information** (39.7%) [113]. Git pushes rose 78% worldwide as Claude Code, Codex and GitHub Copilot scaled [119].
- **Finance and insurance** (33.9%) [113]. **Professional services** reach about 33% of firms and 62% of workers [116].
- **Retail** is at about 14% of firms [113]. Yet AI-referred retail traffic rose 393% year on year in Q1 2026 and converted 42% better (Adobe, via a secondary source) [148].
- **Cautionary cases:** Air AI, Workado and Click Profit [143] [145] [146]. Pennsylvania's AG sued Character.AI in May 2026 [128].

Exhibit 2.3: US: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Conductor (GEO platform) and clients incl. BlackRock, TD Bank [148]	Marketing technology	Generative engine optimisation (AI-search visibility) platform	50+ new enterprise logos in Q3 2025; >125% net revenue retention	Claimed
Adobe (US retail traffic data) [148]	Retail	Measurement of AI-assistant referrals to US retail sites	AI-referred traffic +393% YoY in Q1 2026; converts 42% better than other traffic	Reported
Air AI Technologies [146]	AI software / business opportunities	Marketed 'conversational AI' to replace customer-service staff with earnings promises	FTC settlement: US$18m judgment (mostly suspended), US$50k paid, permanent ban on business-opportunity marketing	Reported
Workado [145]	AI software	AI content detector advertised as 98% accurate	FTC found ~53% accuracy on general content; consent order bans unsubstantiated accuracy claims	Reported

Organisation	Industry	What	Result	Evidence
xAI v. Colorado [135]	Frontier AI / regulation	Constitutional challenge to Colorado AI Act (SB 24-205), DOJ intervening	Federal court blocked enforcement 27 Apr 2026; Colorado replaced the law with SB 26-189 on 14 May 2026	Reported

Marketing, search, advertising and channels

- **AI search:** 60% of adults read AI summaries in search results. 42% use chatbots for information searches [120]. 6sense claims 94% of B2B buyers use LLMs in purchase research [148].
- **Assistants:** ChatGPT leads (44%), then Gemini (24%) [120]. Claude use concentrates in DC, Virginia and Washington state [149].
- **AI ads and agentic commerce †:**
- Google: AI Mode (US, May 2025), ads in AI Overviews and AI Mode tests, AI Max for Search. The AP2 agent payments protocol followed in Sep 2025.
- OpenAI: ChatGPT Instant Checkout with the Agentic Commerce Protocol (29 Sep 2025) and a Walmart deal (Oct 2025). An ads test for US Free and Go users was announced 16 Jan 2026.
- Status in late 2026: OpenAI moved away from Instant Checkout in ChatGPT in March 2026, towards retailer apps, as reported by CNBC [48]. Checkout inside assistants is live elsewhere. Google's Universal Cart has been live for US users in Search and the Gemini app since 15 Oct 2026, with merchants as seller of record [49]. Since 8 Sep 2026 Meta's Muse agent can buy for US consumers at more than 1 million businesses that accept Stripe's Link, with the user approving each total in chat [54].
- Meta: goal to fully automate ads by end-2026, and AI-chat signals used for ads from 16 Dec 2025.
- Visa and Mastercard: agent payment rails (Apr 2025).
- † IAB/PwC put 2024 US internet ad revenue at US$258.6bn.
- **Trust:** only 29% of chatbot users trust their answers [148]. US AI trust is 32% (Edelman) [17].

Opportunities

- **Micro-firm gap.** In May, firms with four or fewer staff were below 20% while 250+ firms were at 37% [113]. Packaged, low-touch AI is underserved.
- **Breadth.** 57% of adopters use three or fewer functions [115]. Workflow expansion services have runway.
- **Marketing first.** Sales and marketing is the #1 function [115], and 60% of adults read AI summaries [120]. GEO/AEO and AI-referral measurement follow [148].
- **1 Jan 2027 compliance wave.** Colorado and NY RAISE take effect and CCPA ADMT compliance begins that day [135] [141] [142], on top of Illinois and Texas [134] [139]. Buyers need ADMT inventories, notices, human review and NIST RMF work.
- **Claims substantiation.** Evals and claim audits in response to the FTC [131] [145] [146].

- **Infrastructure and power** around the data-centre build-out [117].

Barriers and risks

- **Legal uncertainty:** pre-emption threats plus live state laws [125][130][135].
- **Low trust:** the lowest trust of any surveyed country in government to regulate AI (31%) [117]. 63% say AI moves too fast [120].
- **Job fears:** 64% expect fewer jobs over 20 years [117].
- **Shallow adoption:** use is narrow, and in May small firms were flat [113][115].
- **Enforcement:** FTC and SEC action on "AI washing" [144], and state AG suits [128].
- **Data-centre pushback:** a Senate "Artificial Intelligence Data Center Moratorium Act" (S.4214) was introduced (title only verified).

Outlook 2026–27

- **26 Oct 2026:** Colorado rulemaking comments closed [137], with a hearing on a draft revised on 6 Oct, as reported by the Cloud Security Alliance [138]. No final rules had appeared by 2 November. The FTC may finalise its accuracy statement [131].
- **3 Nov 2026 †:** Midterms set the odds for federal pre-emption. The Great American AI Act is still a draft [130].
- **Next BTOS releases:** whether the firm rate keeps rising. It was 24.6% for 5–18 Oct 2026, and 28.6% of firms expect to use AI within six months [98]. Microsoft will widen its diffusion measure, which should lift scores [16].
- **1 Jan 2027:** Colorado SB 26-189 and the amended NY RAISE Act take effect; CCPA ADMT compliance begins [135][141][142].
- **2027:** OpenAI-Oracle capacity starts. Google's Texas build runs to 2027 [117].
- **1 Apr 2028:** first CCPA risk-assessment attestations are due [141].

Notes · Notes and sources

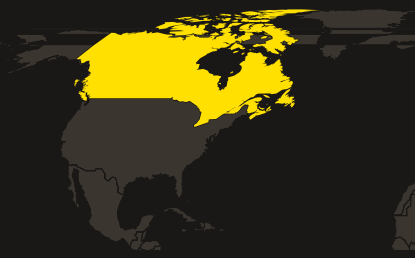
1. US Census Bureau (Grundy, Breaux, Khatiwoda), "Large Firms With at Least 20 Employees Biggest AI Users", 2026-05-26 link [113]
2. US Census Bureau CES, "The Microstructure of AI Diffusion" (CES-WP-26-25), 2026-04 link [115]
3. Federal Reserve Board, FEDS Notes, "Monitoring AI Adoption in the U.S. Economy" (J. S. Allen), 2026-04-03 link [116]
4. Stanford HAI, AI Index Report 2026, 2026-04. (landing page: https://hai.stanford.edu/ai-index/2026-ai-index-report) link [117]
5. Microsoft AI Economy Institute, "Global AI Diffusion Q2 2026", 2026-09 link [16]
6. Microsoft AI Economy Institute, "Global AI Diffusion Q1 2026", 2026-05 link [119]
7. Microsoft AI Economy Institute, "Global AI Adoption in 2025: A Widening Digital Divide", 2026-01 link [17]
8. Pew Research Center, "Americans and AI 2026: Chatbots, Smart Devices and Views on AI's Impact", 2026-06-17 link [120]
9. The White House, "Winning the Race: America's AI Action Plan", 2025-07-23 link [123]
10. Morrison Foerster, "New Federal AI Action Plan Prioritizes Deregulation, Infrastructure, and Global Leadership", 2025-07-28 link [124]
11. Skadden, "White House Launches National Framework Seeking To Preempt State AI Regulation", 2025-12 link [125]

12. StateScoop, "State AI law moratorium omitted from 2026 defense bill", 2025-12-08 link [126]
13. Ropes & Gray, "Examining the Landscape and Limitations of the Federal Push to Override State AI Regulation", 2026-03 link [122]
14. CASRAI, "Federal AI Preemption Fight: Where It Stands", 2026-09 link [130]
15. Hall Render, "FTC Proposes Section 5 Policy Statement on AI Accuracy and Output Steering", 2026-07-31 link [131]
16. McDermott Will & Schulte, "Colorado AI law in flux: Comprehensive replacement bill signed after federal court blocks predecessor's enforcement", 2026-05 link [135]
17. Tech Times, "Colorado AI Law Reset: Discrimination Duty Dropped, Disclosure Takes Its Place", 2026-07-01 link [136]
18. Seyfarth Shaw, "AI Legal Roundup: Colorado Postpones Implementation...", 2025 link [134]
19. King & Spalding, "New State AI Laws are Effective on January 1, 2026, But a New Executive Order Signals Disruption", 2025-12 link [139]
20. California Privacy Protection Agency, "California Finalizes Regulations to Strengthen Consumers' Privacy", 2025-09-23 link [141]
21. Davis Wright Tremaine, "NY Overhauls Transparency and Governance Requirements for Frontier AI Developers", 2026-04 link [142]
22. Glacis, "US State AI Laws Tracker: What Changed in 2026", 2026 link [132]
23. Vorp Labs, "US AI Regulation Update: August 2026", 2026-08 link [121]
24. Model Diplomat, "State AI Laws Mid-2026: Trump's Push", 2026-07 link [128]
25. Tech Insider, "US AI Policy Crisis: 29 States, No Federal Law [2026]", 2026-09 link [129]
26. Everything PR, "Operation AI Comply: Every Major FTC AI Enforcement Action...", 2026 link [147]
27. Benesch, "One Year In, FTC's 'Operation AI Comply' Continues Under New Administration", 2025 link [143]
28. Crowell & Moring, "FTC Cracks Down on AI Model's AI Detection Claims", 2025-05-07 link [145]
29. AI Risk Aware, "FTC v Air AI Technologies, AI Earnings Claims", 2026 link [146]
30. Holland & Knight, "'Operation AI Comply' 2 Years Later: Continued Enforcement Against Misleading Claims", 2026-08 link [144]
31. Matt Britton, "The AI Adoption Gap Is Real: What the May 2026 Census Data Reveals", 2026-05 link [114]
32. Omago, "How Many US Small Businesses Use AI in 2026?", 2026 link [118]
33. Leadgen Economy, "Pew's June 17 Americans and AI 2026 Report" (cites Adobe, 6sense, Forrester, Conductor), 2026-06 link [148]
34. Anthropic, "Anthropic Economic Index report: Economic primitives", 2026-01-15 link [149]
35. RCR Tech, "March 11 deadline hits for Dept. of Commerce", 2026-03 link [127]
36. US Census Bureau, Business Trends and Outlook Survey (BTOS), data downloads (national estimates for 5–18 Oct 2026), 2026-10-22 link [98]
37. Cloud Security Alliance, research note on Colorado ADMT and chatbot rulemaking, 2026-10-20 link [138]
38. CNBC, report on OpenAI's shift away from Instant Checkout towards retailer apps, 2026-03-20 link [48]
39. Google, Universal Cart launch, 2026-10-15 link [49]
40. Stripe, "Stripe helps Meta Muse shop with Link", 2026-09-08 link [54]
41. Colorado Attorney General, "Colorado Anti-Discrimination in AI Law (ADAI) Rulemaking", 2026 link [137]
42. King & Spalding, "New State AI Laws are Effective on January 1, 2026, But a New Executive Order Signals Disruption", 29 Dec 2025 link [140]
43. Stanford HAI, "AI Index Report 2026, Chapter 8: Policy and Governance", Apr 2026 link [133]

North America · 2 of 46

Canada

Deep dive CAN



Canada is a deep AI research and talent base now catching up on business use: 19.2% of businesses used AI in Q2 2026, triple the 6.1% of Q2 2024. AI use among working-age people is ahead of the US (38.5% in Q2 2026, 16th globally vs US 21st). Private AI investment is small next to the US (US$4.28bn in 2025, 5th globally).

38.5%
of working-age people use AI · rank 16 of 147
Microsoft AI Diffusion, Q2 2026

19.2%
of firms use AI (Canadian businesses (all sizes incl. 1-4...)
Statistics Canada, 2026

$4.3bn
private AI investment
Stanford AI Index 2026, 2025

94.4%
of people use the internet
World Bank [112], 2024

Key dates, 2026–27

2026-05-27	Statistics Canada CSBC Q2 2026: 19.2% of businesses use AI
2026-06-11	Statistics Canada detailed analysis of AI use by businesses, Q2 2026
2027-01-01	US state rules (Colorado SB 26-189, California CCPA ADMT, NY RAISE) reach Canadian firms...

How AI is regulated

Guidance only, no AI bill yet

What to watch

- StatCan's CSBC (AI questions each second quarter) and, from 2027, the TechStat programme will show whether adoption keeps climbing from 19.2%.
- Next Microsoft AI Diffusion report widens its measure; expected to raise measured AI use in almost all economies.
- 1 Jan 2027: US state rules (Colorado SB 26-189, CCPA ADMT, NY RAISE) apply to Canadian firms serving US customers.

Canada · Market and adoption

Business adoption (official). The Canadian Survey on Business Conditions (1 Apr to 6 May 2026; 9,251 responses from a sample of 21,105) found 19.2% of businesses used AI to produce goods or deliver services in the prior 12 months [150][151]. That is up from 12.2% (Q2 2025) and 6.1% (Q2 2024) [150].

- By size: 27.8% of firms with 100+ staff and 19.9% of firms with 1 to 4 staff. Middle size bands were not given as single figures [150].

- By firm age: 21.7% for firms 2 years old or less, 25.0% for 3 to 10 years, 18.4% for 11 to 20 years and 15.0% for over 20 years [150].
- Urban 21.0% versus rural 9.9% [150].
- By industry: Information and cultural 42.3%, Finance and insurance 40.4%, Professional, scientific and technical 32.4%. At the bottom: Construction 9.2%, Wholesale 7.9%, Agriculture, forestry, fishing and hunting 4.5% [150].

What firms use. Among users: data analytics 36.6%, text analytics 34.5%, virtual agents or chatbots 28.2%, NLP 27.0%, LLMs 24.8%, speech recognition 20.6%, image or pattern recognition 14.0% [150]. 44.4% of users changed training or staffing because of AI, and 32.0% trained existing staff [150].

Why firms do not use AI. 40.0% of businesses say AI is not relevant to them. 13.4% cite cybersecurity or privacy concerns and 10.6% cite cost [151]. Among firms with 1 to 4 staff, 41.4% say it is not relevant [152]. StatCan found planned adoption of 14.5% in Q3 2025, as cited secondhand [153].

Productivity. An April 2026 StatCan study found AI adopters had 16.8% higher labour productivity on a raw basis [154]. After controlling for complementary capabilities such as data analytics skills, the gap fell to about 5% and was not statistically significant [152][155]. The message: AI pays off with data and skills in place, not on its own.

Consumers. Microsoft estimates 38.5% of working-age Canadians used AI in Q2 2026. That is up from 33.5% (H1 2025), 35.0% (H2 2025) and 37.3% (Q1 2026) [16][119][17]. Canada slipped from 13th to 16th as others grew faster [16][17].

Investment and talent.

- Private AI investment was US$4.28bn in 2025, 5th globally behind the US, China, UK and France. Cumulative investment since 2013 is US$19.6bn, 4th globally [117].
- 79 newly funded AI companies in 2025 [117].
- Canada has 31,450 top AI authors and inventors, or 76.16 per 100,000 people, which is 6th per capita [117].
- AI skills appeared in 3.00% of job postings in 2025, above the US at 2.56% [117].
- AI talent concentration on LinkedIn was 1.01% [117]. Net AI talent migration was +1.23 per 10,000 LinkedIn members [117]. But net flow of top AI authors and inventors swung from strong inflow around 2020 to -7.1 in 2025 [117].
- 337 data centres, 5th in the world [117].

Canada · Policy and regulation

Status: no AI-specific federal statute was found †. Its status was not confirmed on an official page for this edition.

- **AIDA is dead †.** The Artificial Intelligence and Data Act was part of Bill C-27. It died on the Order Paper when Parliament was prorogued on 6 Jan 2025. No replacement AI bill had been confirmed as of this research.
- **AI minister †.** PM Mark Carney named Evan Solomon Canada's first Minister of Artificial Intelligence and Digital Innovation on 13 May 2025. He signalled an adoption-first approach that will not "over-index" on regulation. An AI Strategy Task Force and a public "national sprint" consultation ran in autumn 2025 to shape a renewed national AI strategy. Check whether that strategy has been published and what funding it carries.
- **Strategy and money.** The Pan-Canadian AI Strategy (2017) was the world's first national AI strategy †. A secondary source cites a C$2.4bn federal AI package [156]. † That package is Budget 2024 (April 2024), which included C$2bn for compute. The Canadian Sovereign AI Compute Strategy followed on 5 Dec 2024. The Canadian AI Safety Institute launched in Nov 2024 †. The AI Index lists Canada among the "second wave" of AI safety institute countries [117]. † Budget 2025 (4 Nov 2025) added funding for sovereign public AI compute. Verify the amount, reported at about C$925.6m over five years.
- **Privacy and AI.** The federal, provincial and territorial privacy regulators adopted "Principles for responsible, trustworthy and privacy-protective generative AI technologies" on 7 Dec 2023 [152]. PIPEDA remains the federal private-sector law †.
- **Quebec Law 25 †.** Its main duties took effect on 22 Sep 2023. They include telling people when a decision about them is made only by automated processing, privacy impact assessments, and fines up to C$25m or 4% of worldwide turnover. It is the strictest AI-relevant privacy rule in Canada.
- **Ontario †.** Under the Working for Workers Four Act, from 1 Jan 2026 employers with 25+ staff must say in public job postings if they use AI to screen, assess or select applicants.
- **Voluntary code †.** The federal Voluntary Code of Conduct on advanced generative AI dates from Sep 2023.
- **Global posture.** Canada is one of only five countries that endorsed every major global AI governance initiative from 2019 to 2025 [117]. The US and Canada score highest on the GIRAI measure of AI bias safeguards [117].

Public mood. 68% of Canadians expect AI to eliminate more jobs than it creates [117]. 40% trust their government to regulate AI responsibly, against 31% in the US [117].

Exhibit 2.4: Canada: the rules that matter for AI

Source: Research notes and official texts for Canada; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Artificial Intelligence and Data Act (AIDA, part of Bill C-27)	[proposed]	Died on the Order Paper at prorogation, 6 Jan 2025 †	No federal AI-specific statute; AI governed by privacy, human rights, competition and consumer law plus voluntary codes.

Law or rule	Status	Effective	What it means for business
PIPEDA (federal private-sector privacy law)	[in force]	in force (since 2001-2004 phases) †	Consent, purpose limitation and accountability apply to AI training and personalisation using personal data.
Quebec Law 25 (Act to modernize legislative provisions as regards the protection of personal information)	[in force]	Main duties 2023-09-22 (phased 2022-2024) †	Must inform individuals of decisions based exclusively on automated processing, run privacy impact assessments, and face fines up to C$25m or 4% of worldwide turnover.
Ontario Working for Workers Four Act (AI disclosure in job postings)	[in force]	2026-01-01 †	Employers with 25+ employees must disclose in public job postings if AI is used to screen, assess or select applicants.
FPT privacy regulators' Principles for responsible, trustworthy and privacy-protective generative AI technologies [152]	[in force]	2023-12-07	Regulators' expectations on legal authority, consent, transparency and accountability for genAI developers and deployers.
Voluntary Code of Conduct on the Responsible Development and Management of Advanced Generative AI Systems	[in force]	2023-09 †	Voluntary commitments on safety, transparency and human oversight; signatories include major Canadian firms.

Canada · Ecosystem and big-tech moves

- **Research base.** Canada has deep research depth: 31,450 top AI authors and inventors [117] and 125 publicly documented model releases by 2025 [117]. † The national institutes are Mila (Montreal), Vector (Toronto) and Amii (Edmonton), coordinated by CIFAR.
- **Companies.** Sanctuary AI (Vancouver) runs Phoenix humanoid robots in commercial pilots, with "hundreds of commercial pilot tasks completed" [117]. † Cohere (Toronto) builds enterprise LLMs and agents; it raised US$500m at a US$6.8bn valuation in Aug 2025 and signed a public-service AI MOU with Ottawa. † Shopify (Ottawa) set an "AI-first" hiring rule in Apr 2025 and made its merchants available to agentic checkout in ChatGPT. OpenAI has since moved away from Instant Checkout, towards retailer apps, as reported by CNBC [48]. Shopify switched agent checkout on by default for eligible merchants in September 2026, as reported by Yahoo Finance [55]. † Other names: Ada, Coveo, Clio, Waabi, Tenstorrent.
- **Big tech and telcos †.** Bell launched "Bell AI Fabric" (May 2025) and Telus a "sovereign AI factory" (2025), both pitched as Canadian-hosted AI compute.
- **Enterprise buyers.** TD Bank is named as an enterprise client of GEO platform Conductor, which is a claimed data point [148].

Canada · The AI services market and pricing

What buyers buy. Analytics, text analytics and chatbots lead [150]. Training and staffing change is common: 44.4% of adopters made changes [150]. That points to a market for implementation plus training, not just licences.

Economic case. A June 2026 study, published as a GlobeNewswire release, claims Canada's GDP could rise by almost 14% (about $350bn) if all SMEs reached mature AI adoption [155]. CFIB research is cited for $2.40 returned per $1 invested by "digital leaders" and 1.08 hours saved per user per day [155]. BDC is cited saying SMEs with deep AI adoption are 24% more productive [155]. BDC has launched an SME AI programme called "Lift" [155]. All of these are claimed or secondary figures.

One Canadian commentator argues vendors should price by hours saved [157].

Delivery. It looks like the US (SaaS seats plus SI projects). Firms that need Canadian data residency lean to domestic hosts († Bell, Telus, Cohere).

Canada · Leading industries and use cases

- **Information and cultural** (42.3%) and **finance and insurance** (40.4%) lead [150]. Professional services are at 32.4% [150].
- **Laggards** with the most room to grow: construction 9.2%, wholesale 7.9% and agriculture 4.5% [150] [157].
- **Robotics.** Sanctuary AI's Phoenix pilots [117].
- **Banking and GEO.** TD Bank is named as a Conductor client, a claimed data point [148].

Exhibit 2.5: Canada: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Sanctuary AI [117]	Robotics	Phoenix general-purpose humanoid robot in commercial pilots	Hundreds of commercial pilot tasks completed	Reported
TD Bank (via Conductor) [148]	Banking / marketing	Enterprise adoption of generative engine optimisation (AI-search visibility) platform	Named among 50+ new Conductor enterprise logos in Q3 2025	Claimed
Statistics Canada productivity study (Canadian firms) [154]	Cross-industry	Compared labour productivity of AI adopters vs non-adopters	16.8% raw productivity premium; ~5% and not statistically significant after controlling for complementary capabilities	Reported

Canada · Marketing, search, advertising and channels

- **AI use.** 38.5% of working-age people used AI in Q2 2026 [16]. This is a bigger base than in the US for AI-assisted discovery.

- **Channels †.** Meta has blocked news on Facebook and Instagram in Canada since Aug 2023 under the Online News Act. That shapes publisher and brand reach. Canada withdrew its Digital Services Tax in June 2025.
- **Language †.** English and French are official languages. Quebec's French-language rules (Bill 96) mean customer-facing AI, content and chatbots in Quebec need solid French. That is a real product requirement and an opening for bilingual models.

Canada · Opportunities

- **Tripled adoption, with more to go.** 19.2% is still low, and 40% of firms say AI is "not relevant" [150][151]. Use-case discovery and education for SMEs is an open field.
- **Vertical solutions for laggards.** Construction, wholesale and agriculture sit below 10% [150].
- **Regional push.** Rural adoption (9.9%) is less than half the urban rate (21.0%) [150]. Regional programmes and channel partners can close it.
- **Data and skills first.** The productivity premium fades once you control for data skills [152][154]. Pair AI builds with data foundations and training; 32.0% of adopters already train staff [150].
- **Consumer-facing AI.** Canadians use AI more than Americans (38.5% vs 33.0%) [16]. That supports AI shopping, service and content experiences.
- **Sovereign and bilingual AI †.** Public-sector and regulated buyers want Canadian-hosted, French-capable systems.

Canada · Barriers and risks

- **"Not relevant" mindset.** 40.0% of firms say AI is not relevant [151].
- **Privacy and cyber worries** (13.4%) and **cost** (10.6%) [151]. Law 25 compliance adds work in Quebec †.
- **Scale gap.** US$4.28bn of private investment against the US at US$285.88bn [117].
- **Talent drain signal.** On Stanford's measure, the net flow of top AI authors and inventors turned negative (-7.1 in 2025), though its LinkedIn measure of AI-talent migration still shows a small inflow [117].
- **Weak productivity proof so far** [152][154].
- **Regulatory vacuum †.** No federal AI law after AIDA, so rules are split across privacy, human rights and provincial laws.

Canada · Outlook 2026–27

- **Now:** Ontario's AI-in-hiring disclosure rule is in force from 1 Jan 2026 †.
- **Late 2026 †:** Watch for the renewed national AI strategy (if not yet published), the fall 2026 federal budget, and any new federal privacy bill to replace the lapsed C-27.
- **Next:** StatCan's CSBC (which has asked its AI questions each second quarter since 2024) and, from 2027, the TechStat programme will show whether adoption keeps climbing from 19.2% [150].
- **Next Microsoft diffusion report:** The measure will widen and is expected to raise scores for most countries [16].

- **2027:** US state rules that take effect 1 Jan 2027 (Colorado, California ADMT, New York) will reach Canadian firms selling into the US (see US section).

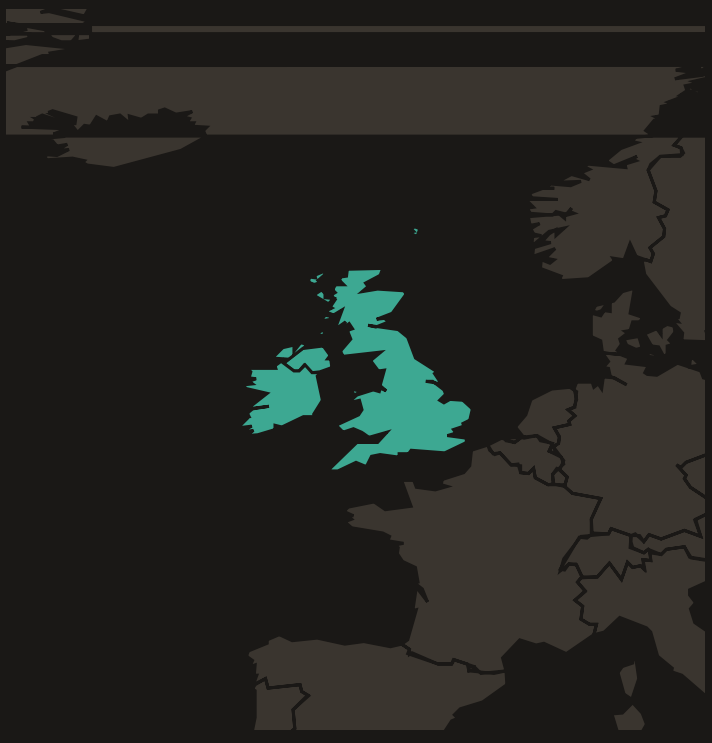
Notes and sources

1. Statistics Canada, "Analysis on artificial intelligence use by businesses in Canada, second quarter of 2026", 2026-06-11 link [150]
2. Statistics Canada, "The Daily: Canadian Survey on Business Conditions, second quarter 2026", 2026-05-27 link [151]
3. Stanford HAI, AI Index Report 2026, 2026-04 link [117]
4. Microsoft AI Economy Institute, "Global AI Diffusion Q2 2026", 2026-09 link [16]
5. Microsoft AI Economy Institute, "Global AI Diffusion Q1 2026", 2026-05 link [119]
6. Microsoft AI Economy Institute, "Global AI Adoption in 2025: A Widening Digital Divide", 2026-01 link [17]
7. Autana, "AI Adoption in Canada: What Small Business Data Says", 2026 link [152]
8. Holmes Consultants, "AI Adoption Statistics Canada 2026", 2026 link [153]
9. Cloudforces, "Canada's AI Adoption Gap in 2026", 2026 link [155]
10. ChatGPT.ca, "Canadian AI Adoption Benchmark 2026", 2026 link [154]
11. Alberta Tribune, "Construction Uses AI at Under Half the Canadian Rate", 2026 link [157]
12. Quantumrun, "AI Investment By Country Statistics 2026", 2026 link [156]
13. Leadgen Economy (cites Conductor client list), 2026-06 link [148]
14. CNBC, report on OpenAI's shift away from Instant Checkout towards retailer apps, 2026-03-20 link [48]
15. Yahoo Finance, "Shopify turns agent checkout on by default", 2026-09 link [55]

Part 2 · Region 02

United Kingdom & Ireland

The UK is Europe's biggest AI market by private investment: Stanford's AI Index 2026 puts UK private AI investment at $5.9bn in 2025, third globally after the US and China. On Microsoft's measure, Ireland has Europe's most AI-active population: it ranks 3rd globally, with 49.9% of working-age people using generative AI in Q2 2026.



AI users, % of working-age people (Q2 2026)

Ireland	49.9%
United Kingdom	43.7%
Global average (Microsoft)	18.8%

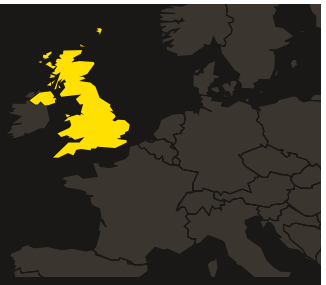
In this region

United Kingdom	66
Ireland	77

United Kingdom & Ireland · 3 of 46

United Kingdom

Deep dive GBR



The UK is Europe's biggest AI market by private investment: Stanford's AI Index 2026 puts UK private AI investment at $5.9bn in 2025, third globally after the US and China. Business use has risen from a low base. About three in ten UK businesses used at least one AI technology in September 2026 (30%, ONS), broadly stable since June, and 35% of firms with 10+ staff did in June. The government's own 2026 survey says use doubled to 32% in a year.

43.7%
of working-age people use AI · rank 8 of 147
Microsoft AI Diffusion, Q2 2026

35%
of firms use AI (UK businesses with 10+ employees using at...)
ONS, 2026

$5.9bn
private AI investment
Stanford AI Index 2026, 2025

£33.6bn
AI revenue of UK AI firms, 2025
AI Sector Study 2025, Oct 2026

68.1m
internet users
DataReportal, 2025

Key dates, 2026–27

2026-09-23	CMA further consultation on Google user-choice (choice screen) conduct requirement
2027-12-02	EU AI Act Annex III high-risk rules apply (relevant to UK providers placing covered AI systems on the EU market)
2027-Q1	GPU deployment scheduled at Nscale's Loughton, Essex data centre
2030	Targets: 420 exaflops public compute; 10 million workers AI-trained; IAB forecast GBP 18bn...

How AI is regulated

Existing law and sector regulators

What to watch

- Pending (post-July 2026): government to confirm which department runs AI Growth Zones
- Late 2026 onward: CMA decision on Google user-choice (choice screen) conduct requirement after 23 Sept 2026 consultation
- 2026-27: Sovereign AI Unit continues direct equity investments from its GBP 500m fund

Market and adoption

Sector size. The AI Sector Study 2025 (published 29 October 2026) counted 10,488 AI firms, £33.6bn of AI revenue (+41%), about 130,400 AI jobs (+51%) and £6.3bn raised by dedicated AI firms in 2025 [158]. The 2024 study (published 3 September 2025) had counted 5,862 AI firms and £23.9bn of AI revenue [159][160]. AI GVA was £11.8bn [161]. The UK is also described as the third-largest AI market, "valued at over £72 billion" in 2024; the cited page gives no valuation methodology, so treat this as a reported estimate [161].

Investment. AI Index 2026 (Quid data): $5.90bn in 2025, 172 newly funded AI companies (second only to the US) and $34.07bn since 2013 [61]. That is up from $4.5bn in UK private AI investment in 2024 [162][163]. The government dashboard says UK AI firms raised £6.0bn in 2025 (+52%), about a third of all UK venture funding [164]. One summary says £6bn [165]. Always quote the source with the number.

Business adoption (official). ONS BICS wave 159 (15-28 June 2026): 29% of businesses used AI, up 8 points on June 2025 [166]. Among firms with 250+ staff it was 49%, up 13 points [166]. The 8 October 2026 bulletin puts use at 30% in September, which the ONS calls broadly stable since June, and at 51% among firms with 250+ staff [167]. LLM text generation (17%) and visual content creation (14%) lead [166]. The ONS deep-dive (20 July 2026) gives 35% for firms with 10+ employees, up from about 12% in late 2023 [168]. Micro firms (0-9 staff) sit at 28%. Information and communication leads at 58%; construction trails at 13% [168]. Jobs impact is still small. About half of firms report no headcount change and under 7% of medium firms report cuts [168]. 41% of firms with 10+ staff report no barriers [168].

DSIT AI Adoption Research (13 February 2026; fieldwork February to May 2025; 3,500 firms with 5+ staff) is more cautious. It found 16% using AI and 5% planning to. Large firms were at 36%, mid-sized 23%, micro 14%. 81% of businesses with no AI adoption plans see no need; 60% of non-users cite a skills gap. Among current or planned AI users reporting spending, mean 2024 AI spend was £19,000, but the median was £2,000. 75% of users saw productivity gains, yet 77% saw no revenue change [169]. Marketing and admin top the use list, each at 72% of adopters or planners [162].

A second official measure. The government's AI Adoption Survey 2026 (published 29 October 2026) found 32% of UK businesses using at least one AI technology, against 16% in 2025. Large firms were at 52% [14]. Use was highest in information and communication (61%), real estate (45%) and business services (39%). Only 14% of firms rate AI as of high or critical importance to their operations [14]. 31% of firms using or planning AI expect more than half their staff to use it within one to two years; 22% say that is true today [14]. The ONS and government figures differ because their samples, dates and definitions differ. The 2026 survey is 3,503 telephone interviews from 7 January to 21 April 2026 [14].

Private surveys run hotter. BCC and the University of Essex found 54.3% of firms using AI in January 2026, with 17.5% more intending to [170]. AWS claimed 52% for 2025, up from 39% [171]. Samples and definitions explain the spread.

Adoption. Microsoft's UK generative AI user share among people aged 15–64 went 36.4% (H1 2025), 38.9% (H2 2025), 42.2% (Q1 2026), 43.7% (Q2 2026) [16][17]. Ofcom counted 252m UK web visits to ChatGPT in August 2025, up 156% in a year. Gemini grew 146%, Claude 138%, Perplexity 100% [172]. IAB UK says 73% of consumers used an AI tool in the last three months [173].

Talent. AI skills appeared in 1.93% of UK job postings in 2025 (US: 2.56%). The UK is a net importer of AI talent [61]. ITJobsWatch logged 10,613 permanent AI job ads in the six months to 2 November 2026, median salary £74,633 (+6.62% year-on-year) [174].

Policy and regulation

AI Opportunities Action Plan (13 January 2025, 50 actions). "One Year On" (29 January 2026) says 38 of 50 are delivered [175][176]. The AI Research Resource (AIRR) had 21 AI exaflops of public compute in 2025, with 420 targeted by 2030 [177]. Isambard-AI launched in Bristol in July 2025 [175]. Up to £250m funds free compute for researchers and start-ups [178]. The skills goal is 10 million workers trained by 2030 [175][164].

AI Growth Zones (AIGZs). Five are designated: Culham (pilot, January 2025), North East (September 2025), North Wales and South Wales (November 2025) and Lanarkshire (January 2026) [179]. Government says the first cohort brings £28.2bn of investment and 15,000+ jobs [175][179]. Each zone gets up to £5m of targeted funding [179]. South Wales carries £10bn from Vantage Data Centers and Microsoft and could draw over 1GW by the early 2030s [178]. Lanarkshire plans more than 500MW of on-site generation [180].

Sovereign AI. The Sovereign AI Unit has up to £500m and launched in April 2026, chaired by James Wise of Balderton [175][165]. A further £282m Strategic Assets Grants Programme sits alongside it [181]. By July 2026 it had backed Callosum, Ineffable Intelligence, Isomorphic Labs and CuspAI [181]. Government also announced an advance market commitment, subject to due diligence, with up to £100m to act as first customer for UK AI hardware start-ups, and up to £137m for AI for Science [178].

Machinery of government. Andy Burnham became Prime Minister on 20 July 2026 [182]. DSIT's functions were split up in July 2026. Its work moved to the renamed Department for Business, Innovation, Science and Trade (BIST) and an enlarged DCMS [183][184]. AI strategy, public-sector AI and the AI Security Institute went to the Cabinet Office. Kanishka Narayan is Minister for AI and attends Cabinet [183]. Nobody has yet been named to run the AIGZs [185]. The Royal Society called the shake-up "quite a big mistake" [184].

Regulation model. Principles-based and regulator-led. There is still no AI bill. Labour's 2024 promise on frontier models "has not materialised" as of June 2026 [165]. The 13 May 2026 King's Speech listed 37 bills, including cyber security and digital access bills, but no dedicated AI bill [186].

Data (Use and Access) Act 2025. Royal Assent 19 June 2025, with four commencement stages starting 20 August 2025 [187]. New automated decision-making rules took effect on 5 February 2026; section 80 replaces UK GDPR Article 22 and loosens limits outside special-category data [188]. An offence covering intimate deepfakes took effect on 6 February 2026 [188]. The Act required a copyright and AI report, due by 18 March 2026 [189]. That report declined a commercial text-and-data-mining exception [165].

ICO. The AI and biometrics strategy (25 June 2025; the ICO's site listing dates its launch to 5 June 2025, and the ICO page could not be re-opened on 3 Nov 2026) promises a statutory code of practice on AI and automated decisions, with focus on recruitment, public services, foundation-model training and facial recognition, and flags agentic AI [190]. An ICO foresight paper on agentic AI followed in early 2026 [188].

CMA. Google was designated with strategic market status on 10 October 2025. The designation covers general search, search ads, AI Overviews and AI Mode; the Gemini app is outside it [191]. The CMA says over 90% of UK searches happen on Google [191]. It consulted on four conduct requirements on 28 January 2026. It imposed the publisher requirement on 3 June 2026 and fair ranking plus data portability on 17 June 2026. A user-choice requirement went back out to consultation on 23 September 2026 [192]. Separately, on 30 October 2026 the CMA opened a Competition Act case into whether Meta's terms for collecting publishers' and businesses' content for its products, including AI features, abuse a dominant position [41]. Initial information gathering is provisionally scheduled to January 2027 [193].

Ads and consumer law. The ASA says its rules apply "regardless of how the ad was created", and AI images that overstate product results can mislead [194]. No UK law requires AI-generated content to be labelled [188]. The DMCC Act 2024 bans fake reviews, drip pricing and subscription traps [195].

UK-US Tech Prosperity Deal (17 September 2025) came with £31bn of company pledges [196][197]. The US paused the government-to-government track in December 2025, citing the digital services tax, Online Safety Act enforcement and food standards [198][199]. No resumption appears in the sources reviewed.

Exhibit 2.6: UK: the rules that matter for AI

Source: Research notes and official texts for United Kingdom; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Data (Use and Access) Act 2025 [187]	[in force]	Royal Assent 2025-06-19; staged commencement from 2025-08-20; automated decision-making reforms in force 2026-02-05; intimate deepfake offence in force 2026-02-06	Section 80 replaces UK GDPR Article 22, making solely automated decisions easier outside special-category data (safeguards remain). Required a government report on copyright and AI (due 18 Mar 2026), which declined a commercial text-and-data-mining exception.

Law or rule	Status	Effective	What it means for business
Digital Markets, Competition and Consumers Act 2024 (digital markets regime) [192]	[in force]	Google search SMS designation 2025-10-10; publisher conduct requirement imposed 2026-06-03; fair ranking and data portability imposed 2026-06-17; user choice re-consulted 2026-09-23	CMA can impose conduct rules on Google search including AI Overviews and AI Mode (Gemini app excluded). Publisher, ranking and data portability rules change how brands and publishers deal with Google's AI search.
Digital Markets, Competition and Consumers Act 2024 (consumer protection) [200]	[in force]	Royal Assent 2024-05-24	Bans fake reviews, drip pricing and subscription traps; relevant to AI-generated reviews and AI-driven pricing/marketing.
UK AI bill (frontier model legislation) [201]	[proposed]	Not introduced; absent from the 13 May 2026 King's Speech (37 bills)	No horizontal AI statute; firms follow regulator guidance (ICO, CMA, FCA, ASA) and the EU AI Act when selling into the EU.

Ecosystem and big-tech moves

- Tech Prosperity Deal pledges: Microsoft £22bn over four years; Nvidia up to £11bn for 120,000 Blackwell GPUs; Google £5bn; AWS £8bn; CoreWeave £1.5bn; Palantir £1.5bn; Salesforce $2bn; Oracle $5bn [196][197]. Stargate UK pairs OpenAI, Nvidia and Nscale in the North East [197].
- November 2025: Groq around £100m for a planned London data centre; Perplexity £80m London expansion (100 jobs); Equinix's recent £4bn Hertfordshire commitment; AI Pathfinder £150m GPU deployment in Northamptonshire [178].
- Scale-ups: ElevenLabs raised $500m at $11bn (4 February 2026) [202]. Wayve raised $1.2bn at an $8.6bn valuation (February 2026), securing $1.5bn including milestone-based capital; Uber launched supervised Wayve-powered rides in London in September 2026 [203][204]. Nscale raised $2bn (March 2026) at a reported $14.6bn [205]. Synthesia raised $200m at $4bn and passed $100m in annual recurring revenue; 70% of the FTSE 100 are customers [206][207]. Accenture announced its Faculty acquisition in January 2026 and completed it in March; the reported price was over £740m [208][209].
- Anchors: Google DeepMind, Arm and Wayve are the usual flagships [210]. The UK ranked third in Stanford's Global AI Vibrancy ranking [211] and had 484 data centres in 2024 [212].
- Agencies under pressure: WPP's CEO change in 2025 was linked by the FT to the rise of AI [213] .

The AI services market and pricing

- What firms use (June 2026): text generation (17% of firms), visual content (14%) and data/ML tools [166][168]. Accounting shows depth: 98% of UK practices use AI and spend £1,746 a year on AI tools and training on average (Xero survey) [170].

- Rates: Contract vacancies citing AI quote a median £560 a day (10th–90th percentile £388–£775; 5,556 jobs; six months to 2 November 2026) [214]. UK Generative AI contract vacancies advertised a median daily rate of £550 (10th–90th percentile: £400–£788) in the six months to 2 November 2026 [215]. Permanent vacancies citing AI advertise a median £74,633 annually, or £85,000 in London, over the six months to 2 November 2026 [174].
- Budgets are thin at the bottom. Among private-sector firms with at least five employees using or planning to use AI and able to report spending, median AI expenditure in 2024 was £2,000 [169]. The UK government procured a record $770m of AI contracts in a year [171].
- Delivery models: agencies are rebuilding as AI integrators. WPP Enterprise Solutions (1 July 2026; 12,000 people worldwide across 40+ markets) announced launch propositions including AI transformation consulting, agentic commerce and "intelligent content" [216]. WPP's global unit WPP Enterprise Solutions signed an AWS deal to operationalise agentic AI for brands (18 June 2026) [217] [218].

Exhibit 2.7: UK: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
AI contract vacancy day rate (median, UK)	GBP 560/day (10th-90th percentile GBP 388-775; 5,556 jobs; 6 months to 2 Nov 2026; +1.82% YoY)	–	Survey
Generative AI contract vacancy day rate (median, UK)	GBP 550/day (10th-90th percentile GBP 400-788; 1,425 jobs; 6 months to 2 Nov 2026)	–	Survey
Permanent vacancy salary citing AI (median, UK)	GBP 74,633/year (London GBP 85,000; 10th-90th percentile GBP 41,250-110,000; 6 months to 2 Nov 2026)	–	Survey
Annual AI spend per business using or planning AI and reporting spending (2024)	Mean GBP 19,000; median GBP 2,000; 27% of users spent nothing	–	Survey
Annual AI tools and training spend, UK accounting practice	GBP 1,746/year average	–	Survey

Leading industries and use cases

- Information and communication leads adoption at 58% on the ONS measure [168] and 61% in the government's 2026 survey [14].
- Health: a third of NHS chest X-rays are now AI-enabled [164].
- Government: new AI tools cut time to spot fraud risks by 80% [164]. The "Minute" AI scribe supports 1,000 officials across 22 councils, and the "Extract" planning tool was due to reach all councils by spring 2026 [165].
- Mobility: Wayve's embodied AI now powers supervised autonomous rides in London with Uber [219].

- Professional services: AI saves accounting practices 7.1 hours a week on average (Xero) [170].
- Media and marketing tech: Synthesia (AI video) and ElevenLabs (AI voice) are global category leaders from London [220] [221].

Exhibit 2.8: UK: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
NHS England [164]	Healthcare	AI-assisted chest X-ray reporting	One third of NHS chest X-rays now AI-enabled	Reported
UK Government (fraud) [164]	Public sector	New AI fraud-risk tools	80% reduction in time to spot fraud risks	Claimed
UK local government (Minute AI scribe) [165]	Public sector	AI meeting/case note scribe	Scaled to 1,000 officials across 22 local authorities	Reported
Uber and Wayve [219]	Mobility	Supervised autonomous ride service in London using Wayve's AI driver	Launched September 2026	Reported
Synthesia customers (FTSE 100) [206]	Enterprise communications	AI avatar video for training and comms	70% of FTSE 100 are customers; >USD 100m annual recurring revenue [207]	Claimed
UK accounting practices (Xero survey) [170]	Professional services	AI for day-to-day accounting and bookkeeping tasks	Average 7.1 hours saved per week	Claimed

Marketing, search, advertising and channels

- **Ad market.** UK digital ad spend reached £40.5bn in 2025 (+10%), with video at £9.3bn (+20%) [222]. H1 2026 hit £21.2bn (+13%), with retail media up 32% [222].
- **AI search.** Ofcom found 30% of keyword searches return AI overviews and 53% of people often see AI summaries [172]. The CMA's Google designation covers AI Overviews and AI Mode, and a publisher conduct requirement now applies [191] [192].
- **AI in advertising.** IAB UK forecasts approximately £18bn of AI-driven digital ad spend by 2030, about 32% of total digital ad spend [223]. 58% of members are experimenting with or piloting agentic AI; 16% are scaling agentic systems or operating agent-first marketing workflows; only 4% are "agent-first" [223]. 74% of advertisers think AI summaries cut site traffic, and 64% have changed site structure, metadata or content strategies for generative engine optimisation [223]. Only 23% of consumers are comfortable letting AI buy for them [173].

- **Reach.** 68.1m internet users (97.8%) and 55.5m social media identities [224]. WPP named first partner to pilot Meta's newest creative AI solution, with WPP Open integration planned (23 June 2026) [217] [225].

Opportunities

- SME starter packages. 81% of businesses with no AI adoption plans lack an identified need; median 2024 AI spending among current or planned users reporting figures was £2,000 [169]. Low-ticket, outcome-proven offers fit this gap.
- Marketing and administration jointly lead AI use or planned use (72% of adopters or intended adopters), and AI-driven ad spend is forecast to reach approximately £18bn by 2030 [223] [162] [169] .
- AI search visibility. Advertisers are rebuilding sites for AI answers, and the CMA publisher rule gives publishers new leverage [223] [192].
- Infrastructure supply chain around £28.2bn of AIGZ investment and hyperscaler pledges [175] [196].
- Public-sector AI, now run from the Cabinet Office, backed by a record $770m of AI contracts [183] [171].
- Assurance and compliance: a coming ICO statutory code, new ADM rules, and EU AI Act duties for UK exporters [188] [190].

Barriers and risks

- Skills gaps (60%) and "no need" perceptions among businesses with no AI adoption plans (81%) [169]. In the 2026 government survey, 67% of adopters cited limited AI skills, expertise or knowledge, while 65% of non-adopters cited no clear business case or proven return on investment [14].
- Among businesses citing each barrier, 80% rated ethical concerns as significant and 72% rated unclear regulation as significant [162] [169].
- ROI proof: 77% of users saw no revenue change [169].
- Copyright unresolved after the March 2026 report [165].
- Political churn: DSIT gone, AIGZ owner undecided, Tech Prosperity Deal paused [185] [198].
- Power: data centres could rise from 2.5% to 10% of UK electricity by 2030 [197].
- Dependence: core platforms and IP stay American [197].

Outlook 2026–27

- Pending: government to name the department running AIGZs [185].
- Late 2026 onward: CMA decision on the Google user-choice requirement after the 23 September 2026 consultation [192].
- To January 2027 (indicative): CMA initial information gathering in its case on Meta's commercial terms for businesses [193].
- Q1 2027: GPU deployment due at Nscale's Loughton data centre [226].

- 2 December 2027: EU AI Act high-risk (Annex III) rules bite for UK providers placing covered AI systems on the EU market [87] [227].
- By 2030: 420 exaflops of public compute and 10 million workers trained [175] [164] [177].
- Watch: the ICO statutory AI code (undated) and any AI bill [190] [186].

Notes · Notes and sources

1. DSIT, AI Opportunities Action Plan: One Year On (PDF), 2026-01-29 link [175]
2. UK Government, AI Opportunities Action Plan 2026 Progress dashboard, 2026-01 link [164]
3. UK Government, AI Growth Zones progress page, 2026 link [179]
4. GOV.UK, AI Growth Zones collection, 2026-02 link [176]
5. GOV.UK press release, "AI to power national renewal...", 2025-11-20 link [178]
6. US International Trade Administration, UK Latest AI Growth Zone 2026, 2026 link [180]
7. DatacenterDynamics, UK AI Growth Zone program in limbo after DSIT closure, 2026 link [185]
8. UKAuthority, DSIT scrapped as Burnham government reshapes Whitehall tech functions, 2026-07-21 link [183]
9. Research Live, DSIT to be abolished in government reshuffle, 2026-07-21 link [182]
10. The Register, Royal Society slams UK.gov science shake-up, 2026-09-18 link [184]
11. ONS, Business insights and impact on the UK economy: 2 July 2026 link [166]
12. ONS, Artificial intelligence in UK businesses: 2023 to 2026, 2026-07-20 link [168]
13. DSIT, AI Adoption Research, 2026-02-13 link [169]
14. DSIT, Artificial Intelligence sector study 2024, 2025-09-03 link [159]
15. insideHPC, UK AI Sector Sets £2.9B Investment Record in 2024 (summary of DSIT study), 2025-09 link [160]
16. Stanford HAI, AI Index Report 2026, Chapter 4 Economy (PDF), 2026-04 link [61]
17. Microsoft AI Economy Institute, Global AI Diffusion Q2 2026 (PDF), 2026-09 link [16]
18. Microsoft, Global AI Adoption in 2025 (H2 2025 report, PDF), 2026-01 link [17]
19. Ofcom, Online Nation 2025 (PDF), 2025-12-10 link [172]
20. DataReportal, Digital 2026: The United Kingdom, 2026 link [224]
21. IAB UK, Digital Adspend (FY 2025 and HY 2026), 2026 link [222]
22. IAB UK, "One-third of UK digital ad spend will be AI-driven by 2030", 2026-06-02 link [223]
23. IAB UK, The State of AI in Advertising (infographic PDF), 2026-06 link [173]
24. Think Digital Partners, UK and US sign Tech Prosperity Deal worth £31 billion, 2025-09-17 link [196]
25. CETaS (Alan Turing Institute), Silicon Valley invests in the UK-US tech alliance, 2025-09 link [197]
26. TechInformed, US-UK Tech Prosperity Deal pauses, 2025-12 link [198]
27. DatacenterDynamics, US pauses tech prosperity deal with UK, 2025-12-16 link [199]
28. GOV.UK, Data (Use and Access) Act 2025: plans for commencement, 2025 link [187]
29. Osborne Clarke, Regulatory Outlook February 2026: Artificial intelligence, 2026-02 link [188]
30. ICO, AI and biometrics strategy, 2025-06-25 link [190]
31. CMA (GOV.UK), CMA confirms Google has strategic market status in search services, 2025-10-10 link [191]
32. CMA case page, SMS investigation into Google's general search and search advertising services, updated 2026-09-23 link [192]
33. ASA, Generative AI & Advertising: Decoding AI Regulation, 2023-08-31 link [194]
34. Consumer Scotland, "Digital Markets, Competition and Consumers Act 2024", 2024-09-03 link [195]
35. The AI Insider, UK AI Opportunities Action Plan: Decoded, 2026-06-01 link [165]

36. CMS, UK AI Opportunities Action Plan: 2026 Progress Report, 2026 link [210]
37. Prime Minister's Office, 10 Downing Street, "2026 State Opening of Parliament", 2026-05-13 link [186]
38. Wikipedia, Sovereign AI Fund (UK) link [181]
39. ITJobsWatch, Artificial Intelligence contracts, UK (6 months to 30 Sep 2026) link [214]
40. ITJobsWatch, Generative AI contracts, UK (6 months to 30 Sep 2026) link [215]
41. ITJobsWatch, Artificial Intelligence permanent jobs, UK (6 months to 29 Sep 2026) link [174]
42. heybrb.ai, 80+ UK AI Statistics for 2026 (secondary; cites BCC/University of Essex, Xero, IAB UK), 2026 link [170]
43. Aristral, AI Automation Statistics 2026 (secondary; cites DSIT, BCC, AI Index 2025), 2026 link [162]
44. US Department of Commerce, UK Country Commercial Guide: ICT, 2025-26 link [171]
45. New Zealand MFAT, Opportunities in the UK's fast growing AI market, 2025-12 link [161]
46. Federal Reserve, FEDS Notes: The State of AI Competition in Advanced Economies, 2025-10-06 link [212]
47. Stanford HAI, Global AI Power Rankings, 2024 link [211]
48. Wikipedia, Synthesia (company).) link [206]
49. ElevenLabs, "ElevenLabs", 2026-02-04 link [202]
50. Wikipedia, Wayve link [203]
51. Nscale, "Nscale", 2026-03-09 link [205]
52. Wikipedia, Faculty (company).) link [208]
53. Wikipedia, WPP plc link [213]
54. WPP, WPP announces expansion plans for WPP Enterprise Solutions, 2026-07-01 link [216]
55. WPP newsroom (AWS agreement 2026-06-18; Meta creative pilot 2026-06-23), 2026 link [217]
56. European Commission, AI Act regulatory framework page (Digital Omnibus status), updated 2026-08-03 link [87]
57. ONS, Business insights and impact on the UK economy: 8 October 2026, 2026-10-08 link [167]
58. GOV.UK, UK Compute Roadmap, updated 2026-04-23 link [177]
59. GOV.UK, AI Adoption Survey 2026: executive summary, 2026-10-29 link [14]
60. CMA (GOV.UK), "CMA opens investigation into Meta's commercial terms", 2026-10-30 link [41]
61. CMA case page, Suspected abuse of a dominant position in relation to Meta's commercial terms, 2026-10-30 link [193]
62. GOV.UK, Artificial Intelligence Sector Study 2025, 2026-10-29 link [158]
63. Stanford HAI, "AI Index Report 2025: Economy", 2025 link [163]
64. GOV.UK, "Copyright and artificial intelligence statement of progress under Section 137 Data (Use and Access) Act", 2025-12-15 link [189]
65. Wayve, "Wayve secures $1.5B to deploy its global autonomy platform", 2026-02-25 link [204]
66. Accenture, "Accenture Completes Acquisition of Faculty", 2026-03-16 link [209]
67. VKTR, "Nvidia-Backed Startup Synthesia Doubles Valuation, Offers Liquidity via Nasdaq", 2026-01-26 link [207]
68. WPP, "WPP Enterprise Solutions signs strategic collaboration agreement with AWS to operationalise agentic AI for leading brands", 2026-06-18 link [218]
69. WPP, "WPP named first launch partner to pilot Meta's newest creative solution integrated within WPP Open", 2026-06-23 link [225]
70. Nscale, "Nscale Contracts Approximately 200,000 NVIDIA GB300 GPUs with Microsoft to Deliver NVIDIA AI Infrastructure Across Europe and the U.S.", 2025-10-15 link [226]
71. European Commission, "AI Act: Article 2, Scope" link [227]
72. Synthesia, "About Synthesia", Undated link [220]
73. Liberty Global, "Liberty Global Ventures announces strategic investment in leading voice AI company ElevenLabs", 2025-11-25 link [221]

74. Wayve, "Wayve and Uber Launch First-Ever Autonomous Rides in the UK", 2026-09-03 link [219]

United Kingdom & Ireland · 4 of 46

Ireland

Country profile IRL



On Microsoft's measure, Ireland has Europe's most AI-active population: it ranks 3rd globally, with 49.9% of working-age people using generative AI in Q2 2026. Eurostat's survey of adults puts it 5th in the EU. Business adoption is only average, with 20.2% of firms with 10+ staff using AI in 2025 (CSO), close to the EU's 19.95%, and just 17.2% of small firms.

49.9%
of working-age people use AI · rank 3 of 147
Microsoft AI Diffusion, Q2 2026

20.2%
of firms use AI (Enterprises with 10+ persons engaged in...)
CSO, 2025

5.3m
internet users
DataReportal, 2025

Key dates, 2026–27

2026-10-14	International AI Summit in Ireland during the EU Council presidency, launching European AI...
2026-12-02	Article 50(2) marking deadline for generative AI systems already on the market before 2 Aug 2026; CSAM/NCII prohibitions...
2027-08-02	Pre-Aug-2025 GPAI models must comply; national AI regulatory sandboxes must be operational
2027-12-02	AI Act Annex III high-risk obligations apply

How AI is regulated

Comprehensive AI law in force

What to watch

- 14 Oct 2026: International AI Summit in Ireland with the European Commission
- 2 Dec 2026: deadline for generative AI systems already on the market before 2 Aug 2026 to meet the Article 50(2) marking duty (new systems have had to comply since 2 Aug 2026)
- 10 September 2026: Salesforce completed the Fin acquisition [228]

Ireland · Market and adoption

- **Business (official).** CSO's 2025 survey (published 6 February 2026) found 20.2% of enterprises with 10+ persons engaged used AI, up from "over 15%" in 2024 [229][230][231]. Large firms: 57.7%. Medium: 28.6%. Small: 17.2% [230]. Data mining (10.8%) and natural language generation (9.3%) lead [230]. The EU average was 19.95%; Denmark led at 42.03% [19]. Eurostat's figure for Ireland is 19.6%, lower than the CSO's 20.2%; the CSO attributes the difference to population totals used to calculate enterprise proportions [232][233].

- **Uses.** Admin leads at 7.8% of enterprises. Marketing or sales, ICT and R&D each sit at 5.4% [230]. Across the EU, 34.70% of AI-using firms apply AI to marketing or sales [19].
- **Consumers.** Microsoft's AI user share went 41.7% (H1 2025), 44.6% (H2 2025), 48.4% (Q1 2026), 49.9% (Q2 2026). That is third globally, first in Europe, against a global 18.8% [234] [16] [17].
- **Talent.** Ireland has the world's fourth-highest AI talent concentration on LinkedIn: 1.31% of members in 2025 [61].
- **Connectivity.** 5.26m internet users (98.9%) at end-2025 and 4.26m social media identities in October 2025 [235].
- **Investment.** Ireland is not in the AI Index top 15 for 2025 private AI investment. No credible total was found [61].

Ireland · Policy and regulation

- **Strategy.** The National AI Strategy Refresh (6 November 2024) promises to lead on AI Act delivery, an SME awareness campaign, a regulatory sandbox, a National AI Research Nexus and compute support [236]. A new "Digital Ireland" strategy was welcomed by the Digital Regulators Group on 27 February 2026; its text was not reviewed [237].
- **AI Act set-up.** Statutory Instrument 366 of 2025 set a distributed model with 15 market surveillance authorities [238]. They include the Central Bank, Coimisiún na Meán, ComReg, the DPC, the CCPC and the HPRA [239]. The Regulation of Artificial Intelligence Act 2026 was signed on 21 July 2026 [240]. It created the AI Office of Ireland as single point of contact, expected to be operational by 2 August 2026, with Paul Byrne as CEO [240]. Its board first met on 8 September 2026. It runs a regulatory sandbox programme [241].
- **EU timeline shift.** The Digital Omnibus on AI entered into force on 27 July 2026 [87]. Annex III high-risk rules now apply from 2 December 2027; Transparency rules began in August 2026; generative AI systems already on the market before 2 August 2026 must meet Article 50(2) marking by 2 December 2026 [242] [87].
- **Data protection.** The DPC's AI Insights Report (25 September 2026) covers about 180 AI products it engaged on in 2021-2025, from Apple, DeepSeek, Google, Meta, Microsoft, OpenAI, TikTok, X and others. Its focus: legitimate interests as a basis for AI training, and transparency [243]. The DPC also fined Google €403m on 21 September 2026 over location data [237].

Exhibit 2.9: Ireland: the rules that matter for AI

Source: Research notes and official texts for Ireland; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
EU AI Act (Regulation (EU) 2024/1689) as amended by the Digital Omnibus on AI [87]	[in force]	Prohibitions 2025-02-02; GPAI 2025-08-02; general application 2026-08-02; omnibus in force 2026-07-27; Annex III high-risk 2027-12-02; Annex I 2028-08-02	Risk-based duties. Omnibus pushed high-risk rules to Dec 2027/Aug 2028; transparency rules from Aug 2026, with Article 50(2) marking of synthetic content due by 2 Dec 2026 for systems already on the market before 2 Aug 2026.

Law or rule	Status	Effective	What it means for business
S.I. No. 366 of 2025 (designation of AI Act authorities) [238]	[in force]	2025	15 market surveillance authorities including Central Bank, Coimisiún na Meán, ComReg, CRU, CCPC, DPC, HSA, HPRA, HSE and WRC; sector regulators enforce AI rules in their domains.
Regulation of Artificial Intelligence Act 2026 [240]	[in force]	Signed 2026-07-21; AI Office expected to be operational by 2026-08-02	Creates the AI Office of Ireland (CEO Paul Byrne) as single point of contact, central technical expertise and host of a national AI regulatory sandbox.

Ireland · Ecosystem and big-tech moves

- IDA Ireland counts 1,800+ global companies in Ireland [244].
- Fin (formerly Intercom), with R&D in Dublin, raised $250m of venture debt in March 2026. In June 2026 it agreed a sale to Salesforce for about $3.6bn [245].
- Ireland hosts an International AI Summit on 14 October 2026 with the European Commission, themed "Harnessing AI to Revolutionise Europe's Competitiveness" [241].
- The AI Office points firms to Enterprise Ireland digital supports, CeADAR's "AI for You" training and "AI Ready" [246].

Ireland · The AI services market and pricing

No credible published euro price benchmarks for Irish AI services were found. Buyers mostly use AI for admin, data mining and text generation [230]. The 15-authority model and DPC scrutiny point to compliance-led delivery [238] [243].

Ireland · Leading industries and use cases

- Large enterprises (57.7%) and multinational hubs lead adoption [230] [244].
- Customer service AI: Fin's agent, built between Dublin and San Francisco, is Ireland's standout AI exit [247].
- Finance, health and media sit under named AI Act authorities [239].

Exhibit 2.10: Ireland: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Fin (formerly Intercom) [247]	Software / customer service	LLM-based AI agent resolving customer queries; Fin Apex 1.0 post-trained model (Mar 2026)	Agreed acquisition by Salesforce for about USD 3.6bn (June 2026)	Reported

Ireland · Marketing, search, advertising and channels

- Only 5.4% of Irish enterprises use AI for marketing or sales [230]. 35% of small firms sell online [229].
- IAB Ireland's adspend site returned 403, so no ad-spend figure is given.
- AI Act transparency and labelling rules shape AI-made ads from August 2026 [87].

Ireland · Opportunities

- SME catch-up: 49.9% of the working-age population used AI in 2026; 17.2% of small firms did so in 2025 [230] [234].
- AI Act compliance and sandbox work for Dublin-based multinationals [238] [241].
- AI use for marketing or sales is rare, at 5.4% of firms [230].
- Deep talent pool (1.31% concentration) [61].

Ireland · Barriers and risks

- Grid: data centres used 22% of metered electricity in 2024 and 23% in 2025 [248] [249].
- A 15-authority map plus DPC scrutiny of AI training [238] [243].
- Shifting EU deadlines after the omnibus [87].
- Thin public data on AI investment, market size and ad spend.

Ireland · Outlook 2026–27

- 14 October 2026: International AI Summit [241].
- 2 December 2026: Article 50(2) marking deadline for generative AI systems already on the market before 2 August 2026 [242].
- 2 August 2027: older general-purpose AI models must comply; sandboxes must run [242].
- 2 December 2027: Annex III high-risk rules apply [87].
- 10 September 2026: Salesforce completed the Fin acquisition [247] [228].

Notes and sources

1. CSO, Information Society Statistics - Enterprises 2025, 2026-02-06 link [229]
2. CSO, ISS Enterprises 2025: Artificial Intelligence, 2026-02-06 link [230]
3. CSO, ISS Enterprises 2025: Background notes, 2026-02-06 link [231]
4. Eurostat, Use of artificial intelligence in enterprises, 2025-12 link [19]
5. Microsoft Source EMEA, Ireland rises to 3rd globally and 1st in Europe for AI adoption, 2026-09-22 link [234]
6. Microsoft, Global AI Diffusion Q2 2026 (PDF), 2026-09 link [16]
7. Microsoft, Global AI Adoption in 2025 (H2 2025, PDF), 2026-01 link [17]
8. Stanford HAI, AI Index Report 2026, Chapter 4 Economy (PDF), 2026-04 link [61]
9. DataReportal, Digital 2026: Ireland, 2026 link [235]
10. artificialintelligenceact.eu, National implementation plans, 2026 link [238]
11. artificialintelligenceact.eu, Implementation timeline, 2026 link [242]
12. European Commission, AI Act regulatory framework page (Digital Omnibus status), updated 2026-08-03 link [87]
13. Department of Enterprise, Tourism and Employment, EU AI Act, 2026 link [239]

14. AI Office of Ireland, homepage and news, 2026 link [241]
15. AI Office of Ireland, "AI Office of Ireland established under the AI Regulation Bill 2026, Paul Byrne appointed as CEO", 2026-07 link [240]
16. DETE, National AI Strategy Refresh 2024, 2024-11-06 link [236]
17. CSO, Data Centres Metered Electricity Consumption 2024, 2025-06-10 link [248]
18. CSO, Data Centres Metered Electricity Consumption 2025, 2026-07-07 link [249]
19. Data Protection Commission, DPC publishes AI Insights Report, 2026-09-25 link [243]
20. Data Protection Commission, Latest news listing (pages 1-2), 2026-09 link [237]
21. Wikipedia, Fin (formerly Intercom).) link [247]
22. IDA Ireland, homepage, 2026 link [244]
23. AI Office of Ireland, Available supports, 2026 link [246]
24. Eurostat, isoc_eb_ai dataset (updated 2026-06-15) link [232]
25. Salesforce, "Salesforce Completes Acquisition of Fin", 10 September 2026 link [228]
26. CSO, "Digital Sustainability and Artificial Intelligence Adoption, Business in Ireland 2025", 24 March 2026 link [233]
27. Salesforce, "Salesforce Signs Definitive Agreement to Acquire Fin", 15 June 2026 link [245]

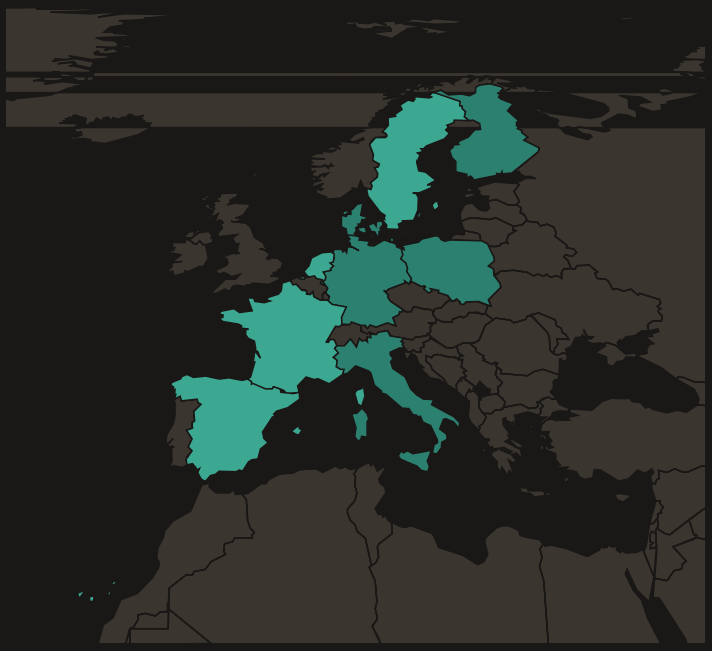
Part 2 · Region 03

European Union

One in five EU firms with 10+ staff used AI in 2025 (19.95%, up from 13.48% in 2024), and one in three adults used generative AI tools. Germany is above the EU average on business AI use (25.97% of firms with 10+ staff in 2025 vs 19.95%) but trails the Nordics and Benelux. On Microsoft's measure, France has the strongest

AI users, % of working-age people (Q2 2026)

France	49.6%
Spain	45.1%
Netherlands	43.5%
Sweden	37.3%
Denmark	32.4%
Germany	32.3%
Poland	32.3%
Italy	31.4%
Finland	30.6%
Global average (Microsoft)	18.8%



In this region

European Union	83
Germany	94
France	100
Netherlands	107
Spain	110
Italy	114
Sweden	118
Denmark	121
Finland	124
Poland	127

European Union

Deep dive EUU

One in five EU firms with 10+ staff used AI in 2025 (19.95%, up from 13.48% in 2024), and one in three adults used generative AI tools. The gap is wide: Denmark is at 42% of firms while Romania is at 5%, and large firms (55%) are more than three times as likely as small ones (17%) to use AI.

32.7%
of people aged 16–74 used generative AI tools
Eurostat, 2025

19.9%
of firms use AI (enterprises with 10+ persons employed, all...)
Eurostat, 2025

$20.9bn
private AI investment in Europe, not EU-only
Stanford AI Index 2026, 2025

93.8%
of people use the internet
Eurostat, 2025

Key dates, 2026–27

2026-10-14	First harmonised AI Act standard (EN 18286:2026, quality management) became applicable following publication in the Official Journal; voluntary route to presumed conformity for high-risk QMS duties
2026-12	Data omnibus (GDPR/ePrivacy changes) earliest expected adoption window, not before late 2026
2026-12-02	End of watermarking grace period for AI systems placed on the market before 2 Aug 2026; ban on...
2027-01	ChatGPT must meet DSA VLOSE obligations (four months after designation)
2027-08-02	Each member state should have at least one AI regulatory sandbox; GPAI models placed on the...

How AI is regulated

Comprehensive AI law in force

What to watch

- 2 Dec 2026: watermarking grace ends for legacy generative systems; nudifier ban applies.
- Late 2026 at the earliest: decision on GDPR/ePrivacy changes in the data omnibus.
- Jan 2027: ChatGPT must comply with DSA VLOSE duties (risk assessments, audits, researcher data access).

Market and adoption

Business adoption (Eurostat 2025) [232] [250] [19]

- EU-27: 19.95% of enterprises, up 6.47 points in one year.
- Top five: Denmark 42.03%, Finland 37.82%, Sweden 35.04%, Belgium 34.54%, Luxembourg 33.61%.
- Bottom three: Romania 5.21%, Poland 8.36%, Bulgaria 8.55%.
- Greece is the only member state that fell (9.81% to 8.93%).
- Small firms (10-49 staff): 17.0%.
- Medium firms (50-249): 30.36%.
- Large firms (250+): 55.03%.
- SMEs overall (10-249): 18.9% [232].
- The most common AI type is text analysis (11.75% of all firms).
- Next come image, video and audio generation (9.55% in 2025) and text, speech or code generation (8.76%).
- By purpose, marketing and sales comes first. 34.7% of AI-using firms apply AI there, and business administration comes second at about 31% [19].
- Seen across all firms, only 6.92% use AI for marketing or sales in 2025 [251]. That is a big open space.

Why firms hold back [19] Among firms that considered AI but did not adopt it:

- 70.89% cite lack of expertise.
- 52.52% cite unclear legal consequences.
- 48.83% cite data protection concerns.

People (Eurostat 2025) [252]

- 32.66% of 16-74 year-olds used generative AI tools in the last three months.
- By purpose: 25.49% for private reasons, 15.36% for work, 9.32% for formal education.
- Denmark is highest at 48.44%. Romania is lowest at 17.76%.

People (Microsoft, June 2026) [16]

- Microsoft publishes no EU-27 total.
- Ireland (49.9% of the working-age population) and France (49.6%) lead the EU and rank third and fourth in the world.
- Spain is at 45.1% and the Netherlands at 43.5%.
- Germany and Poland are both at 32.3%. Italy is at 31.4%.
- Worldwide average: 18.8%. Global North average: 28.8%.

Only one flag applies: the Netherlands has a series break in 2025.

Rank	Country	Firms using AI 2025 (%)	2024 (%)	Adults using GenAI 2025 (%)
1	Denmark	42.03	27.58	48.44

Rank	Country	Firms using AI 2025 (%)	2024 (%)	Adults using GenAI 2025 (%)
2	Finland	37.82	24.37	46.27
3	Sweden	35.04	25.09	42.01
4	Belgium	34.54	24.71	42.01
5	Luxembourg	33.61	23.73	42.54
6	Netherlands	33.21 (b)	23.06	44.70
7	Austria	29.95	20.27	39.42
8	Germany	25.97	19.75	32.25
9	Estonia	23.40	13.89	46.64
10	Slovenia	21.61	20.89	37.56
11	Malta	21.51	17.30	46.46
12	Lithuania	21.30	8.76	36.89
13	Spain	20.27	11.31	37.88
14	Ireland	19.64	14.90	44.93
15	France	18.16	9.91	37.46
16	Slovakia	18.00	10.78	30.79
17	Czechia	17.60	11.26	35.35
18	Italy	16.40	8.20	19.86
19	Croatia	15.19	11.76	27.52
20	Latvia	12.21	8.83	33.40
21	Portugal	11.54	8.63	38.70
22	Hungary	10.37	7.41	29.56
23	Cyprus	9.27	7.90	44.20
24	Greece	8.93	9.81	44.09
25	Bulgaria	8.55	6.47	22.50
26	Poland	8.36	5.90	22.68

Rank	Country	Firms using AI 2025 (%)	2024 (%)	Adults using GenAI 2025 (%)
27	Romania	5.21	3.07	17.76

- Europe's private AI investment reached $20.92bn in 2025. That was up 7.2% on 2024, while the US grew 160.2%.
- European GenAI private investment was $3.21bn.
- Among EU countries, France attracted $4.36bn, Germany $3.89bn, Belgium $1.20bn and Sweden $0.97bn.
- The AI Index does not say which countries its "Europe" total covers; it may include the UK and other non-EU countries.
- No credible EU AI market-size or spend forecast (for example from IDC or Gartner) could be reached. It is left null.

Policy and regulation

AI Act milestones [87] [253]

- 1 Aug 2024: the Act entered into force.
- 2 Feb 2025: prohibitions and AI literacy duties applied.
- 2 Aug 2025: general-purpose AI (GPAI) obligations and governance rules applied. The GPAI Code of Practice was published in July 2025 [87].

The AI Omnibus [254] [255] [256]

- It is Regulation (EU) 2026/1744.
- The Commission proposed it on 19 Nov 2025. Political agreement came on 7 May 2026 [257].
- It was published in the Official Journal on 24 July 2026 and entered into force on 27 July 2026 [255].
- **High-risk dates moved.** Annex III systems (hiring, credit, education, biometrics and more) now apply from 2 Dec 2027. AI embedded in regulated products (Annex I) applies from 2 Aug 2028.
- **Narrow watermarking grace.** Generative systems already on the market before 2 Aug 2026 get until 2 Dec 2026 to add machine-readable marks. Newer systems get no grace [255] [258].
- **AI literacy softened.** Firms now take measures to "support" staff AI literacy, and the Commission and member states take a bigger role [254] [255].
- **Wider relief.** SME reliefs now also cover small mid-caps. Firms may process special-category data to find and fix bias. Registration of exempted systems is simpler [254].
- **New ban.** AI that generates non-consensual intimate images or child sexual abuse material is banned from 2 Dec 2026 [254] [253] [259].
- **Stronger AI Office.** It now supervises systems built on GPAI models and AI inside very large platforms and search engines [254] [255].

Article 50 in practice [253] [260] [258] Since 2 Aug 2026:

- Chatbots must tell users they are talking to AI.
- Deepfakes must be labelled.
- AI output must carry machine-readable marks.

The Code of Practice on transparency of AI-generated content went through two drafts (17 Dec 2025 and 3 Mar 2026). The final version came on 10 Jun 2026 [260]. It comes with EU icons for labels.

- About 190 organisations had signed by 31 Jul 2026 [260].
- The Commission's 31 Jul press note said "over 180" had signed [261].
- The Commission says the Code adequately covers Articles 50(2), 50(4) and 50(5) [258].

Standards. EN 18286:2026, on quality management systems for AI Act regulatory purposes, the first harmonised standard cited under the AI Act, became applicable on 14 Oct 2026 following publication of Implementing Decision (EU) 2026/2274, as reported by Digital Policy Alert [262]. It gives providers a first route to a presumption of conformity for high-risk quality-management duties before December 2027.

Other EU rules that touch AI

- **DSA.** On 31 Aug 2026 the Commission designated ChatGPT a Very Large Online Search Engine. It declared at least 45m average monthly EU users and must meet the extra duties by January 2027 [263].
- **DMA.** On 16 Jul 2026 the Commission set binding measures for Google [264]:
- rival AI assistants get equal access to Android features
- rival search engines can access Google search data.

Separately, on 23 Jul 2026 Google was fined EUR 890m for self-preferencing and anti-steering under the DMA [265].

- **GDPR** [266]**.** EDPB Opinion 28/2024 (Dec 2024) accepts legitimate interest as a basis for building AI models, after a documented three-step test. Whether a model counts as anonymous is decided case by case. Italy's Garante fined OpenAI EUR 15m in Dec 2024; a Rome court annulled the fine in March 2026 on procedural grounds (secondary reports).
- **Data omnibus** [267]**.** This proposal would make AI training a legitimate interest and move cookie rules into GDPR. It is still under negotiation. The Council's June 2026 text dropped the core consent changes, and adoption is not expected before late 2026.

EU industrial policy [257] [268] [269] [270] [271] [272]

- **AI Continent Action Plan (9 Apr 2025).** It sets up AI Factories and Gigafactories and aims to triple EU data-centre capacity in 5-7 years [268].
- **InvestAI (11 Feb 2025).** Launched at the Paris AI Action Summit to mobilise EUR 200bn, including a EUR 20bn fund for AI gigafactories [272].
- **AI Factories.** 19 have been selected in three waves, plus 13 "antennas". EuroHPC investment is EUR 10bn over 2021-2027 [269].

- **AI Gigafactories call (30 Jul 2026).** Up to seven sites, with up to EUR 10bn of EU and national money and at least EUR 20bn of private money expected [270]. The 2025 action plan had spoken of up to five [268].
- **Apply AI Strategy (8 Oct 2025).** An "AI-first" policy across 10 sectors plus the public sector. Digital Innovation Hubs become AI Experience Centres [271].
- **Cloud and AI Development Act.** Proposed on 3 Jun 2026 [257].

Date	What happens
2 Dec 2026	Watermarking grace ends; nudifier and CSAM ban applies
Late 2026 or later	Data omnibus decision
Jan 2027	ChatGPT's DSA duties start
2 Aug 2027	National sandboxes due; pre-Aug 2025 GPAI models must comply
2 Dec 2027	Annex III high-risk duties start
2 Aug 2028	Annex I high-risk duties start

Exhibit 2.11: EU: the rules that matter for AI

Source: Research notes and official texts for European Union; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
AI Act, Regulation (EU) 2024/1689 [87]	[in force]	Entered into force 2024-08-01; prohibitions and AI literacy 2025-02-02; GPAI obligations 2025-08-02; Article 50 transparency and enforcement 2026-08-02	Risk-based rules. From 2 Aug 2026 chatbots must disclose they are AI, deepfakes must be labelled and AI-generated content must carry machine-readable marks. Fines up to EUR 35m or 7% of global turnover for the most serious breaches.
AI Omnibus, Regulation (EU) 2026/1744 (Digital Omnibus on AI) [254]	[in force]	2026-07-27 (OJ 2026-07-24; political agreement 2026-05-07; proposed 2025-11-19)	Annex III high-risk duties moved to 2 Dec 2027 and Annex I (product-embedded) to 2 Aug 2028. Four-month watermarking grace (to 2 Dec 2026) only for systems on the market before 2 Aug 2026. AI literacy softened to 'support' measures. SME reliefs extended to small mid-caps. Bias-detection processing of special-category data allowed. New ban on AI nudification and CSAM generators from 2 Dec 2026. AI Office supervises GPAI-based systems and AI in very large platforms and search engines.

Law or rule	Status	Effective	What it means for business
Code of Practice on Transparency of AI-generated Content (Article 50) [260]	[in force]	Final 2026-06-10; confirmed adequate July 2026	Voluntary route to show Article 50 compliance: machine-readable marking for providers, disclosure of deepfakes and AI text on public-interest matters for deployers, EU icons for labels. About 190 signatories by 31 Jul 2026.
General-Purpose AI Code of Practice [87]	[in force]	Published July 2025; GPAI enforcement powers from 2026-08-02	Transparency, copyright and safety chapters for GPAI model providers. Buyers can ask vendors whether they signed.
Digital Services Act (DSA) [263]	[in force]	ChatGPT designated VLOSE 2026-08-31; obligations due by January 2027	ChatGPT's search now faces systemic-risk assessments, audits and transparency duties like Google Search. Expect more scrutiny of how AI answers rank and cite sources.
Digital Markets Act (DMA) [264]	[in force]	Specification decisions on Google 2026-07-16; EUR 890m fine 2026-07-23	Google must give rival AI assistants equal access to Android features and share search data with rival search engines, which can include AI assistants. Opens distribution for non-Google assistants.
Digital Omnibus on data (GDPR, ePrivacy, Data Act amendments) [267]	[proposed]	Proposed 2025-11-19; still under negotiation; adoption not expected before late 2026 (per Usercentrics)	Would recognise AI model development as a legitimate interest under GDPR and move cookie rules into GDPR (one-click reject, browser signals). Council's June 2026 text removed core consent provisions, so final shape is open.

Ecosystem and big-tech moves

- Raised EUR 1.7bn at an EUR 11.7bn post-money valuation on 9 Sep 2025 [273].
- ASML led the round with EUR 1.3bn for about 11% [274].
- In September 2026 Mistral raised a EUR 3bn Series D led by Samsung Electronics, at a post-money valuation of more than EUR 21bn [275].
- On 11 Aug 2026 it launched regional endpoints and European Compute Units, multi-year compute commitments from an anchor group of enterprises; the CEOs of Amadeus, ASML, Capgemini, Caisse des Depots and CMA CGM backed the plan. Mistral Compute targets 1 GW of capacity across the EU by 2030 [276].
- Google plans to invest $6.4bn in German cloud and data centres over 2026-29 (announced 11 Nov 2025) [61].
- Microsoft opened a Denmark East region on 26 Mar 2026. IDC forecasts that Microsoft and its partners will spend about $4.5bn in Denmark over four years (cited by Microsoft, claimed) [277].

Compute dependency A Commission study (published 11 Aug 2026) flags two problems [278]:

- EU compute capacity is limited and concentrated in a few places.
- The EU depends on non-EU cloud and AI suppliers.

The AI services market and pricing

What buyers buy [232] [19]

- Text analysis.
- Content generation.
- Marketing and sales uses.
- New since Aug 2026: Article 50 compliance.

Published prices (Mistral) [279]

- Le Chat Pro: $14.99 a month.
- Le Chat Team: $24.99 per user a month, with a $50 minimum.
- Enterprise: custom pricing.

They are left null. A future pass should check freelance-platform rate reports and consultancy rate cards.

Exhibit 2.12: EU: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
Mistral Le Chat Pro (individual AI assistant)	$14.99 per month	14.99	[published]
Mistral Le Chat Team	$24.99 per user per month (minimum $50 per month)	24.99	[published]

Leading industries and use cases

Apply AI flagship sectors [271]

- Health and pharma.
- Mobility and automotive.
- Robotics.
- Manufacturing and construction.
- Climate.
- Energy.
- Agri-food.
- Defence and space.

- Telecoms.
- Culture and media.

Vendor-reported cases (claimed)

- **SNCF.** Its "SNCF GPT" reaches over 100,000 employees (claimed) [280].
- **ASML.** It is embedding Mistral models across products and R&D [274].

Exhibit 2.13: EU: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
SNCF Group [280]	Rail transport	Group-wide 'SNCF GPT' secure assistant built with Mistral; developers use Mistral Vibe	Deployed to over 100,000 employees	Claimed
Belfius [281]	Banking (Belgium)	Moved customer chatbot from scripted bot to Mistral Large, in Dutch, French and English	Vendor reports higher efficiency and satisfaction; no figures published	Claimed
ASML [274]	Semiconductor equipment	Strategic partnership to embed Mistral models across products, R&D and operations; EUR 1.3bn investment for about 11%	Partnership signed 9 Sep 2025	Reported

Marketing, search, advertising and channels

- **AI search is now regulated like search.** ChatGPT's VLOSE status puts it next to Google and Bing under DSA risk rules [263].
- **Assistants get new routes to users.** The DMA Android decision opens distribution to rival assistants [264].
- **Ad creative needs labels.** Deepfake-style ad creative must be disclosed, and AI tools must mark their output [261] [260].
- **Visual AI.** In 2025, 9.55% of EU firms with 10 or more staff used AI to generate images, video or audio [19]. This is the most exposed group for labelling rules.

Opportunities

- **Watermarking and provenance services** for the 2 Dec 2026 deadline for legacy systems [255] [260].
- **SME enablement.** Small firms trail large ones by 38 points, and lack of expertise is the top barrier [232] [19].
- **Marketing and sales AI.** It is the top use among adopters but reaches only 6.92% of EU firms with 10 or more staff in 2025 [251].

- **Catch-up markets.** Spain (11.31% to 20.27%), France (9.91% to 18.16%) and Italy (8.20% to 16.40%) moved fastest among large states [232].
- **Sovereign compute and integration**, driven by the Gigafactories call and Mistral's European Compute Units [270] [276].
- **A window for high-risk tools.** HR, credit and edtech vendors now have until Dec 2027 to prepare [254].

Barriers and risks

- Skills gap and legal uncertainty [19].
- Several rulebooks apply at once: the AI Act, DSA, DMA and GDPR.
- Several large states have not finished their national enforcement laws [238].
- Big capital gap with the US [61].
- Dependence on non-EU compute [278].
- Unsettled cookie and consent rules [267].

Outlook 2026–27

- Dec 2026: watermarking deadline, plus the likely next Eurostat enterprise release. This is based on the Dec 2025 release cycle [250].
- 2026-27: selection of up to seven Gigafactories [270].
- Jan 2027: ChatGPT DSA compliance [263].
- Aug 2027: national sandboxes due [253].
- Dec 2027: Annex III high-risk duties start [253].

Notes · Notes and sources

1. Eurostat, isoc_eb_ai dataset (updated 2026-06-15) link [232]
2. Eurostat news, "20% of EU enterprises use AI technologies", 2025-12-11 link [250]
3. Eurostat Statistics Explained, Use of AI in enterprises link [19]
4. Eurostat, isoc_ai_iaiu dataset (updated 2026-06-05) link [252]
5. Microsoft AI Economy Institute, Global AI Diffusion Q2 2026, Sept 2026 link [16]
6. Stanford HAI, AI Index 2026, Chapter 4 link [61]
7. European Commission, AI Act page link [87]
8. European Commission, "AI Omnibus enters into force", 2026-07-27 link [254]
9. White & Case, "EU AI Omnibus enters into force" link [255]
10. Gibson Dunn, "EU AI Act Omnibus Agreement" link [256]
11. AI Act Service Desk, implementation timeline link [253]
12. European Commission, enforcement from 2 August, 2026-07-31 link [261]
13. European Commission, Code of Practice on transparency of AI-generated content link [260]
14. Jones Walker, "Yes, August 2 Still Matters" link [258]
15. European Commission, European approach to AI link [257]
16. European Commission, AI Continent Action Plan factpage link [268]
17. European Commission, AI Factories link [269]

18. European Commission, AI Gigafactories call, 2026-07-30 link [270]
19. European Commission, Apply AI Strategy link [271]
20. European Commission, InvestAI IP/25/467 link [272]
21. European Commission, ChatGPT DSA designation, 2026-08-31 link [263]
22. European Commission, DMA measures for Google on AI interoperability, 2026-07-16 link [264]
23. European Commission, Google DMA fine, 2026-07-23 link [265]
24. Usercentrics, EU Digital Omnibus package link [267]
25. Usercentrics, GDPR and AI link [266]
26. Mistral AI, Series C, 2025-09-09 link [273]
27. ASML, ASML and Mistral AI partnership, 2025-09-09 link [274]
28. Mistral AI, regional inference and new compute, 2026-08-11 link [276]
29. Mistral AI, pricing link [279]
30. Mistral AI, SNCF customer story link [280]
31. Microsoft, Denmark datacenter region, 2026-03-26 link [277]
32. artificialintelligenceact.eu, National implementation plans link [238]
33. Eurostat, isoc_ci_ifp_iu internet use link [282]
34. European Commission, Study on cloud and AI development in the EU, 2026-08-11 link [278]
35. Mistral AI, Series D announcement, 2026-09 link [275]
36. Digital Policy Alert, EN 18286:2026 harmonised standard on quality management systems under the AI Act, 2026-10 link [262]
37. European Parliament, "AI Act: EP approves simplification measures and nudifier app ban", 2026-06-11 link [259]
38. Eurostat Statistics Explained, "Use of artificial intelligence in enterprises", 23 Oct 2026 link [251]

European Union · 6 of 46

Germany

Deep dive DEU



Germany is above the EU average on business AI use (25.97% of firms with 10+ staff in 2025 vs 19.95%, 8th of 27) but trails the Nordics and Benelux. Its consumers sit just below the EU average: 32.3% of working-age people used generative AI in June 2026 (Microsoft), and 32.25% of adults used GenAI tools in 2025 (Eurostat, EU 32.66%), 20th of 27 member states. Its AI Act supervision law, the KI-MIG, has been in force since 29 Jul 2026.

32.3%
of working-age people use AI · rank 23 of 147
Microsoft AI Diffusion, Q2 2026

26%
of firms use AI (enterprises with 10+ persons employed, all...)
Eurostat, 2025

$3.9bn
private AI investment
Stanford AI Index 2026, 2025

78.5m
internet users
DataReportal, 2025

Key dates, 2026–27

2026-07-29	KI-MIG in force: the Bundesnetzagentur becomes the central AI market-surveillance authority
2026-08-02	AI Act Article 50 transparency duties apply in Germany
2026-09-28	Mistral announces Munich hub for Physics AI and Industrial AI
2027-12-02	Annex III high-risk obligations start

How AI is regulated

Comprehensive AI law in force

What to watch

- 2026-27: watch for BNetzA to establish and operate at least one AI sandbox under the KI-MIG, in force since 29 Jul 2026.
- 2026-29: Google's $6.4bn German data-centre programme runs.
- 2026-27: Mistral's Munich hub hiring and industrial projects scale.

Germany · Market and adoption

Firms (Eurostat 2025) [232]

- All firms with 10+ staff: 25.97%.
- By size: small firms 23.06%, medium 35.56%, large 56.99%. SMEs overall: 24.93%.
- German SMEs sit about 6 points above the EU SME average (18.9%). This is a real Mittelstand signal.
- But the jump from small to large firms (23% to 57%) shows AI is still concentrated in big companies.

How German firms use AI [232]

- Image, video and audio generation: 13.52% of firms. This is well above the EU average of 9.55% in 2025.
- Text, speech or code generation: 9.02% (EU 8.76%).
- AI for marketing or sales: 9.10% (EU 6.92% in 2025).
- So German firms lean more to visual generation than the EU norm. That matters for Article 50 labelling.
- 32.25% of adults used GenAI tools in 2025 (EU 32.66%).
- 15.79% used them for work (EU 15.36%).
- Microsoft's AI user share rose from 26.5% (H1 2025) to 28.6% (H2 2025) [17], then 31.1% (Q1 2026) and 32.3% (Q2 2026) [16].
- That growth is steady but slower than France's.
- DataReportal counts 78.5m internet users in Oct 2025, or 93.5% of the population.
- The total fell by 537,000 (0.7%) in a year.
- There are 64.7m social media user identities.
- Private AI investment: $3.89bn in 2025. That is second in the EU after France ($4.36bn).
- 92 newly funded AI companies in 2025, the most in the EU.
- Cumulative private AI investment 2013-25: $17.16bn, the highest in the EU.
- LinkedIn AI talent concentration: 1.15%, above the Netherlands (1.05%) and Poland (1.00% of LinkedIn members in 2025).
- AI skills appear in 1.13% of German job postings (Lightcast). That is well below Spain's 3.31%.

Germany's AI market size and digital ad spend are left null.

Germany · Policy and regulation

EU rules The AI Act applies directly. Article 50 transparency duties have applied since 2 Aug 2026 [261]. Annex III high-risk duties start on 2 Dec 2027 [253].

KI-MIG, the national enforcement law [283] [238]

- The Federal Cabinet adopted the draft on 10 Feb 2026, and the Bundestag passed the law on 11 Jun 2026 [284]. It was enacted on 22 Jul 2026 (BGBl. 2026 I Nr. 223) and has applied since 29 Jul 2026 [285] [284] [286].
- The Bundesnetzagentur (BNetzA) becomes the central market surveillance authority, single point of contact and notifying authority.
- An independent AI market surveillance chamber at BNetzA will handle high-risk systems.
- BNetzA must run at least one AI regulatory sandbox ("KI-Reallabor"). Research institutions and university spin-offs get priority.
- BNetzA must also give guidance, training and help with high-risk classification.

- The government's draft said it adds no new compliance cost for business, because the AI Act applies directly.
- **Data protection.** GDPR plus the BDSG. Supervision is split between the federal authority and the state authorities.
- **Platforms.** The EU-level DSA and DMA decisions apply in Germany too. ChatGPT is a VLOSE, and rival AI assistants get Android access [264] [263].
- 29 Jul 2026: KI-MIG in force [286].
- 2 Dec 2027: rules for Annex III high-risk AI systems start (those embedded in Annex I products follow on 2 Aug 2028) [253].

Exhibit 2.14: Germany: the rules that matter for AI

Source: Research notes and official texts for Germany; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
EU AI Act (directly applicable) [87]	[in force]	Article 50 from 2026-08-02; Annex III high-risk from 2027-12-02	Same EU duties as elsewhere; see EU entry.
KI-MIG (AI Market Surveillance and Innovation Promotion Act), BGBl. 2026 I Nr. 223 [286]	[in force]	2026-07-29 (enacted 2026-07-22; cabinet draft 2026-02-10)	Makes the Bundesnetzagentur the central market surveillance authority, single point of contact and notifying authority, with an independent AI market surveillance chamber for high-risk systems. BNetzA must run at least one AI regulatory sandbox (KI-Reallabor) and offer guidance. The government's draft stated it creates no new compliance cost for business because the AI Act applies directly.

Germany · Ecosystem and big-tech moves

Home-grown players [287] Implicator names SAP, Siemens, DeepL, Helsing and Black Forest Labs as Germany's core AI players. The AI Index lists Neura Robotics' 4NE-1 humanoid [117].

Mistral AI's German push

- **19 Nov 2025, "KI fuer Deutschland"** [288]**.** A multiyear partnership with SAP to bring Mistral models into SAP's AI Foundation as sovereign AI for Germany and Europe. A partnership with Helsing on vision-language-action models for defence. Plans for a German office (Mistral's own announcement, claimed).
- **28 Sep 2026, "Hallo, Deutschland!"** [289]**.** A Munich hub for Physics AI and Industrial AI. Work with BMW on crash simulations and with Siemens Energy. A research partnership with TUM on digital twins for car aerodynamics. Mistral also bought Emmi AI in May 2026, which brought over 30 simulation physicists and engineers (Mistral's own announcement, claimed).
- Google announced $6.4bn for German cloud and data centres over 2026-29, on 11 Nov 2025 [290].

- No other hyperscaler move in Germany was verified.

Public compute [291] [292]

HammerHAI

at HLRS Stuttgart was in the first AI Factory wave (Dec 2024).

JAIF

at Juelich, built around the JUPITER exascale system, was in the second wave (Mar 2025).

They are named only, with no figures.

Germany · The AI services market and pricing

What German buyers do [232]

- Visual content generation (13.52% of firms).
- Marketing and sales AI (9.10%).
- Sovereign or EU-hosted models, via SAP-Mistral [288]. Mistral's Munich hub is a research and development site [289].
- Engineering and simulation AI (BMW, Siemens Energy) [289].
- Enterprise platform partnerships (SAP, Mistral).
- Hyperscaler cloud (the Google build-out).
- Public AI Factory access for SMEs and startups.

Germany · Leading industries and use cases

- **Automotive and machinery.** Germany installs the most industrial robots in the EU [290]. BMW works with Mistral on crash simulations (claimed) [289].
- Watch-out: the AI Index notes German robot installations fell in 2024 [290].
- **Energy.** Siemens Energy works with Mistral on industrial AI (claimed) [289].
- **Enterprise software.** SAP is adding Mistral models to its AI Foundation (claimed) [288].
- **Defence.** Helsing and Mistral work on vision-language-action models (claimed) [288].
- **E-commerce.** Zalando uses Mistral models on AWS Bedrock for recommendations and customer service. The vendor reports gains but gives no figures (claimed) [293].

Exhibit 2.15: Germany: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
BMW [289]	Automotive	Engineering AI for crash simulations with Mistral	Partnership announced; no metrics	Claimed
Zalando [293]	E-commerce	Mistral models on AWS Bedrock for recommendations, service and operations	Vendor reports better personalisation and efficiency; no figures	Claimed

Organisation	Industry	What	Result	Evidence
SAP [288]	Enterprise software	Integrating Mistral models into SAP AI Foundation for sovereign AI	Multiyear partnership announced	Claimed

Germany · Marketing, search, advertising and channels

- **Marketing AI use.** 9.10% of German firms use AI for marketing or sales [232]. Among large firms it is 21.81%.
- **Visual creative.** 13.52% of firms make images, video or audio with AI. Most of this content now falls under Article 50 labelling [232] [261].
- **AI search.** The EU's DSA and DMA moves reshape it. ChatGPT is a VLOSE [263], and Google must open Android to rival assistants [264].

Germany · Opportunities

- **Packages for small firms (10-49 staff).** Only 23.06% of them used AI in 2025, the lowest of the three size groups, so most do not yet [232].
- **Visual-content compliance.** Firms making AI images and video need labelling, provenance and C2PA-style marking before the 2 Dec 2026 legacy deadline [232] [253].
- **Industrial and physics AI.** Simulation copilots and digital twins, as the Munich hub, BMW and Siemens Energy deals show [289].
- **Sovereign AI integration.** Implementation work around SAP-Mistral and Google's $6.4bn data-centre build [290] [288].
- **Regulatory sandbox access.** With the KI-MIG in force, startups get priority for BNetzA's KI-Reallabor [283] [286].

Germany · Barriers and risks

- **Enforcement is new.** The KI-MIG took effect only on 29 Jul 2026 [286].
- **Funding lag.** 2025 private AI funding trailed France and the UK [290].
- **Weaker factory capex.** Robot installations fell in 2024 [290].
- **Average adult GenAI use.** It trails the Nordic and Benelux peers [252].
- **Missing survey data.** Bitkom and ifo data were not reachable.

Germany · Outlook 2026–27

- 2026-27: watch for BNetzA to establish and operate at least one AI sandbox under the KI-MIG, which has applied since 29 July 2026 [285] [284] [286].
- 2026-29: Google's German data-centre programme [290].
- 2026-27: Mistral's Munich hiring and industrial projects [289].
- Dec 2026: the next Eurostat release shows whether German SMEs keep their lead over the EU [232] [294].
- 2 Dec 2027: high-risk rules for HR, credit and similar AI [253].

Notes and sources

1. Eurostat, isoc_eb_ai (updated 2026-06-15) link [232]
2. Eurostat, isoc_ai_iaiu (updated 2026-06-05) link [252]
3. Microsoft, Global AI Diffusion Q2 2026 link [16]
4. Microsoft, Global AI Adoption in 2025 (H2 2025) link [17]
5. Stanford HAI, AI Index 2026. and https://hai.stanford.edu/assets/files/ai_index_report_2026_chapter_4_economy.pdf link [290]
6. DataReportal, Digital 2026: Germany link [295]
7. Government draft KI-MIG, 2026-02-10 link [283]
8. artificialintelligenceact.eu, National implementation plans link [238]
9. Mistral AI, "KI fuer Deutschland", 2025-11-19 link [288]
10. Mistral AI, "Hallo, Deutschland!", 2026-09-28 link [289]
11. Mistral AI, Zalando customer story link [293]
12. EuroHPC JU, first seven AI Factories, 2024-12-10 link [291]
13. EuroHPC JU, additional AI Factories, 2025-03-12 link [292]
14. Implicator.ai, Denmark leads Europe in business AI use link [287]
15. European Commission, enforcement from 2 August link [261]
16. AI Act Service Desk timeline link [253]
17. European Commission, DMA Google AI interoperability link [264]
18. European Commission, ChatGPT DSA designation link [263]
19. Federal Law Gazette (BGBl.), KI-MIG, BGBl. 2026 I Nr. 223, 2026-07-22 link [285]
20. Eurostat, ICT usage in enterprises (isoc_e) metadata: release in December of the survey year link [294]
21. Stanford HAI, AI Index Report 2026, full report PDF (humanoid table, section 2.7), 2026-04 link [117]
22. IHK Lüneburg-Wolfsburg, "KI-MIG veröffentlicht", 2026-07 link [284]
23. Gesetze im Internet, "KI-MIG", 22 Jul 2026 link [286]

European Union · 7 of 46

France

Deep dive FRA



On Microsoft's measure, France has Europe's strongest consumer AI uptake among large economies (49.6% of working-age people in June 2026, fourth worldwide), though Eurostat's adult GenAI measure puts it 16th of 27 in the EU (37.46% in 2025). It is home to Mistral AI, valued at more than EUR 21bn after a EUR 3bn Series D in September 2026. Business adoption is catching up fast but still below the EU average: 18.16% of firms with 10+ staff used AI in 2025, up from 9.91%.

49.6%
of working-age people use AI · rank 4 of 147
Microsoft AI Diffusion, Q2 2026

18.2%
of firms use AI (enterprises with 10+ persons employed, all...)
Eurostat, 2025

$4.4bn
private AI investment
Stanford AI Index 2026, 2025

63.4m
internet users
DataReportal, 2025

Key dates, 2026–27

2026-08-02	AI Act Article 50 transparency duties apply
2026-08-11	Mistral launches regional endpoints and European Compute Units, backed by an anchor group of enterprises
2026-2027	Parliamentary adoption of the law designating AI Act authorities (date not set on sources...

How AI is regulated

Comprehensive AI law in force

What to watch

- 2026-27: French law designating AI Act authorities expected to pass.
- By 2030: Mistral Compute targets 1 GW of capacity across the EU [296].
- Next France Num barometer (2027) will show whether SME adoption keeps rising after the +14-point jump.

France · Market and adoption

Firms (Eurostat 2025) [232]

- All firms: 18.16%, up from 9.91%.
- By size: small 15.04%, medium 30.81%, large 58.01%.
- So large French firms beat the EU large-firm average (55.03%), but small ones trail (EU 17.0%).
- Text, speech or code generation: 7.82%. Image, video or audio generation: 7.50%.

- The marketing and sales figure for all French firms is flagged unreliable by Eurostat, so it is not used.

Firms (France Num 2026, survey of over 9,000 firms) [297] Adoption:

- 40% of TPE-PME use AI (+14 points). For SMEs it is 53% (+19).
- Text, voice or image generation: 34% (+12).
- Chatbots and AI search tools: 24% (+10).
- Document analysis: 13% (+7).
- Task automation: 11% (+6).
- 19% pay for AI tools (32% of SMEs).
- 68% of users see a positive impact. Among paying users it is 85%.
- 78% plan digital projects for 2026-27.
- But AI is only the fifth priority (18%). E-invoicing reform comes first (39%).

Note: this survey covers micro-firms and counts any AI tool use, so it is not comparable with Eurostat.

- 37.46% of adults used GenAI tools in 2025, and 18.44% for work (EU 32.66% and 15.36%) [252].
- Microsoft's measure rose from 40.9% (H1 2025) to 44.0% (H2 2025) [17], then 47.8% (Q1 2026) and 49.6% (Q2 2026) [16].
- That is the fastest rise among the large EU economies covered here.
- 63.4m internet users in Oct 2025 (95.2%).
- 51.5m social media identities, up 2.2%.

Money and ecosystem [290] [298]

- $4.36bn private AI investment in 2025, the highest in the EU.
- 84 newly funded AI companies.
- $15.57bn cumulative since 2013.
- The government counts 1,000 AI startups in 2025, up from 502 in 2021. It lists 16 AI-focused unicorns (Dataiku, Owkin, ContentSquare, Mirakl, Alan and others).
- Startups raised EUR 1.4bn in 2024 [298].

Talent [290] Only 0.99% of French job postings required AI skills in 2025 (Lightcast). That is the lowest among the large EU economies tracked. It looks like a gap between startup hype and wider hiring.

France · Policy and regulation

National strategy [299] [300] [301]

- **Phase 1 (2018-22):** EUR 1.5bn for research. This funded AI institutes, chairs, PhDs and the Jean Zay supercomputer [300].

- **Phase 2 (2021-25):** EUR 1bn under France 2030 to spread AI across the economy [300].
- **France 2030 in total:** EUR 2.5bn for AI [299].
- **COSNIA** coordinates the strategy across ministries [301].
- **INESIA** (AI evaluation and safety institute) was created in January 2025.
- **"Osez l'IA"**, the adoption plan for firms of all sizes, launched in July 2025.
- **IA Booster** has reached over 1,000 SMEs and mid-caps and helped over 300 find use cases.
- The March 2024 AI Commission report estimated a GDP gain of EUR 250-420bn by 2034.
- A draft published on 9 Sep 2025 proposes a decentralised model.
- DGCCRF and DGE coordinate. DGCCRF is the single point of contact.
- ANSSI and PEReN give technical support.
- Firms already regulated in a sector keep dealing with their own regulator.
- The scheme needs legislation.
- 2 Aug 2026: Article 50 applies [261].
- 11 Aug 2026: Mistral announces its ECU coalition and plans to build up to 1 GW of capacity by 2030 [276] [296].
- 2026-27: the authorities law is expected [302].

What is confirmed: the EU launched InvestAI, an initiative to mobilise EUR 200bn, at the summit [303], and over 100 countries attended (AI Index) [290].

Exhibit 2.16: France: the rules that matter for AI

Source: Research notes and official texts for France; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
EU AI Act (directly applicable) [87]	[in force]	Article 50 from 2026-08-02	Same EU duties; firms already regulated in a sector deal with their existing regulator for AI.
Designation of national AI Act authorities (draft, requires legislation) [302]	[proposed]	Draft scheme published 2025-09-09	Decentralised model: DGCCRF coordinates market surveillance and is the single point of contact with DGE; ANSSI and PEReN provide technical support.

France · Ecosystem and big-tech moves

- **Series C (9 Sep 2025):** EUR 1.7bn at EUR 11.7bn post-money. Investors included ASML, DST, a16z, Bpifrance, General Catalyst, Index, Lightspeed and NVIDIA [273].
- **ASML** put in EUR 1.3bn for about 11% [274].
- **Series D (Sep 2026):** EUR 3bn led by Samsung Electronics, at a post-money valuation of more than EUR 21bn [275].
- **Mistral Compute (11 Jun 2025).** Launch partners included BNP Paribas, Orange, SNCF, Thales, Veolia, Schneider Electric and Mirakl [304].

- **Aug 2026:** regional endpoints, a priority tier with SLAs, and European Compute Units, multi-year compute commitments backed by the CEOs of Amadeus, ASML, Capgemini, Caisse des Depots and CMA CGM [276].
- **Open weights (29 Oct 2026):** Mistral released Large 4, with about 1 trillion parameters, as open weights. Its API prices are $0.70 per million input tokens and $2.10 per million output tokens [72].
- **Revenue:** Epoch AI, cited in the AI Index, estimates annualised revenue of about $400m (estimate) [290].

Global labs in France [298] The government lists AI labs run by Alphabet, DeepMind, Meta, Microsoft, IBM, SAP, Samsung and others.

- AI2F, built around the Alice Recoque exascale system, joined the AI Factory network in March 2025.

France · The AI services market and pricing

- Content generation.
- Chatbots and AI search.
- Document analysis.
- Automation.
- Mistral publishes Pro at $14.99 a month and Team at $24.99 per user a month [279].
- No verified EUR day rates for consulting or agent builds.
- SaaS seats for small firms.
- Group-wide enterprise deals, such as SNCF and BNP Paribas.
- Public programmes (IA Booster, Osez l'IA, Bpifrance calls) [299].

Exhibit 2.17: France: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
Mistral Le Chat Pro	$14.99 per month	14.99	[published]
Mistral Le Chat Team	$24.99 per user per month	24.99	[published]

France · Leading industries and use cases

All cases below are vendor-reported (claimed).

- **Transport.** SNCF's "SNCF GPT" reaches over 100,000 employees, and its developers use Mistral Vibe (claimed) [280]. CMA CGM uses Mistral for cargo release, customer queries and shipping documents [305].

- **Banking and insurance.** BNP Paribas has used Mistral in Global Markets since Q3 2023 and decided to extend it to the whole group for 2024 [306]. AXA built "AXA Secure GPT" on Mistral models [307].
- **Public sector.** France Travail uses LLMs to summarise job-seeker profiles and runs a RAG chatbot on labour law [308].
- **Automotive and aerospace.** Stellantis works with Mistral on an in-car assistant [309]. Airbus uses on-premise Mistral deployments [310].

Exhibit 2.18: France: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
SNCF Group [280]	Rail	SNCF GPT secure assistant on Mistral; Mistral Vibe for developers	Over 100,000 employees have access	Claimed
France Travail [308]	Public employment service	LLM summaries of job-seeker profiles; internal RAG chatbot on labour law and allocation rules	No metrics published	Claimed
BNP Paribas [306]	Banking	Mistral models for Global Markets; extension to the whole group decided for 2024	Vendor reports 'very positive results'	Claimed
Stellantis [309]	Automotive	AI in-car assistant, product development and manufacturing use cases with Mistral	No metrics published	Claimed

France · Marketing, search, advertising and channels

- **AI-first audience.** French consumers are among the heaviest AI users in the world [16]. That makes AI search visibility (AEO/GEO) a real channel issue here, not just a future one.
- **SMEs rely on the web.** 46% of TPE-PME get at least 5% of customers online, and 83% have online visibility tools [297].
- **Labels on creative.** Article 50 labelling applies to AI ad creative that counts as a deepfake [311].

France · Opportunities

- **Convert free SME use into paid tools.** 40% of TPE-PME use AI but only 19% pay, while paying users report more impact (85% vs 68%) [297].
- **AI search and assistant marketing.** France has the highest AI user share among large EU economies on Microsoft's measure [16].
- **Sovereign enterprise and public-sector AI.** France Travail, SNCF and banks show demand for EU-hosted models [280] [308] [306].

- **Compute build-out.** Mistral's plan to build up to 1 GW by 2030 and AI2F need integration, energy and hosting partners [276] [292] [296] [312].

France · Barriers and risks

- **Firm adoption still lags.** On the Eurostat measure it remains below the EU average [232].
- **Weak hiring signal.** AI-skill job demand is thin (0.99% of postings) [117].
- **Other priorities first.** E-invoicing reform crowds SME digital budgets [297].
- **Enforcement set-up pending.** The AI Act authorities still need legislation [302].

France · Outlook 2026–27

- 2026-27: the law designating AI Act authorities [302].
- By 2030: Mistral Compute targets 1 GW of capacity across the EU [296].
- Dec 2026: the next Eurostat release. Watch whether France closes its firm gap [232].
- 2027: the next France Num barometer [297].

Notes and sources

1. Eurostat, isoc_eb_ai link [232]
2. Eurostat, isoc_ai_iaiu link [252]
3. Microsoft, Global AI Diffusion Q2 2026 link [16]
4. Microsoft, H2 2025 report link [17]
5. Stanford HAI, AI Index 2026 link [290]
6. DataReportal, Digital 2026: France link [313]
7. DGE, Barometre France Num 2026 link [297]
8. DGE, Soutenir le developpement de l'IA au service de l'economie link [299]
9. DGE, Strategie nationale pour l'IA link [300]
10. DGE, L'intelligence artificielle en France link [298]
11. DGE, COSNIA link [301]
12. Ministere de l'Economie, AI Act authorities draft, 2025-09-09 link [302]
13. Mistral AI, Series C link [273]
14. ASML, partnership release link [274]
15. Mistral AI, regional inference and new compute, 2026-08-11 link [276]
16. Mistral AI, Mistral Compute, 2025-06-11 link [304]
17. Mistral AI, SNCF link [280]
18. Mistral AI, France Travail link [308]
19. Mistral AI, BNP Paribas link [306]
20. Mistral AI, Stellantis link [309]
21. European Commission, enforcement from 2 August link [261]
22. EuroHPC JU, additional AI Factories link [292]
23. Mistral AI, pricing link [279]
24. Mistral AI, CMA CGM link [305]
25. Mistral AI, AXA link [307]

26. Mistral AI, Airbus link [310]
27. Mistral AI, Series D announcement, 2026-09 link [275]
28. Mistral AI, Mistral Large 4 open weights, 2026-10-29 link [72]
29. European Commission, "EU launches InvestAI initiative to mobilise €200 billion of investment in artificial intelligence", 2025-02-11 link [303]
30. Stanford HAI, AI Index Report 2026, full report PDF (Figure 4.4.2), 2026-04 link [117]
31. artificialintelligenceact.eu, AI Act Article 50: transparency obligations for providers and deployers of certain AI systems link [311]
32. Mistral AI, "AI Cloud for training and inference at scale" link [296]
33. EuroHPC JU, "The EuroHPC JU Selects Additional AI Factories to Strengthen Europe's AI Leadership", 12 March 2025 link [312]

European Union · 8 of 46

Netherlands

Country profile NLD



The Netherlands is one of the EU's AI adoption leaders: 33.21% of firms with 10+ staff used AI in 2025 (sixth in the EU; Eurostat flags a series break) and 44.7% of adults used GenAI tools. ASML led Mistral AI's Series C with EUR 1.3bn for about 11% (Sept 2025).

43.5%
of working-age people use AI · rank 9 of 147
Microsoft AI Diffusion, Q2 2026

33.2%
of firms use AI (enterprises with 10+ persons employed, all...)
Eurostat, 2025

18.2m
internet users
DataReportal, 2025

Key dates, 2026–27

2026-07-15	Judiciary council advice still treats the AI Act supervision bill as a draft; not yet sent to parliament
2026-08-02	Article 50 transparency duties apply

How AI is regulated

Comprehensive AI law in force

What to watch

- 2026-27: whether the AI Act supervision bill, still a draft, is sent to parliament.

Netherlands · Market and adoption

- By size: small 28.76%, medium 46.62%, large 67.64%.
- Text, speech or code generation: 16.34% of firms, almost double the EU's 8.76%.
- AI for marketing or sales: 12.34% (EU 6.92% in 2025).
- 26.56% of adults use GenAI for work, one of the EU's highest rates.
- DataReportal counts 18.2m internet users (99.0%) and 15.3m social media identities in Oct 2025 [314].
- AI talent concentration: 1.05%.
- AI skills appear in 1.04% of job postings.

Netherlands · Policy and regulation

- **Draft enforcement law (April 2026).** Ten sectoral authorities would supervise AI, including the data protection authority (AP), RDI, AFM and DNB. AP and RDI coordinate, and RDI is the single point of contact [315] [238].
- **2 Aug 2026:** Article 50 applies.

- **Status.** Public consultation ran from 20 Apr to 1 Jun 2026 [315]. The judiciary council's advice of 15 Jul 2026 still treats the bill as a draft [316]. It had not been sent to the Tweede Kamer when this edition was checked.

Exhibit 2.19: Netherlands: the rules that matter for AI

Source: Research notes and official texts for Netherlands; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Draft AI Act implementation law (internetconsultatie) [315]	[draft]	Consultation 2026-04-20 to 2026-06-01; judiciary council advice 2026-07-15; not yet sent to parliament	Ten sectoral authorities (including the Data Protection Authority AP, RDI, AFM and DNB) supervise AI in their fields; AP and RDI coordinate and RDI is the single point of contact.

Netherlands · Ecosystem and big-tech moves

- **ASML led Mistral AI's Series C.** It put EUR 1.3bn into Mistral for about 11% on 9 Sep 2025, and its CFO sits on Mistral's strategic committee [274].
- ASML's CEO also backed Mistral's European Compute Units plan (Aug 2026) [276].
- The Netherlands joined the AI Factory network in the third wave (Oct 2025) [269].
- It had 298 data centres in 2025, third in the EU [290].

Netherlands · The AI services market and pricing

No verified local pricing. Buyers already use text generation and marketing AI at about twice the EU rate [232]. That points to a mature market for advanced services.

Netherlands · Leading industries and use cases

- **Semiconductors.** ASML plans AI across its products, R&D and operations (reported) [274].
- **Education.** The University of Groningen uses Mistral for rule-based admin tasks and keeps data on its own infrastructure (claimed) [317].

Exhibit 2.20: Netherlands: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
ASML [274]	Semiconductor equipment	AI models across product portfolio, R&D and operations with Mistral	EUR 1.3bn investment, about 11% stake, seat on Mistral strategic committee	Reported
University of Groningen [317]	Education	Mistral AI for repetitive rule-based admin and research tasks with data kept on own infrastructure	No metrics published	Claimed

Netherlands · Marketing, search, advertising and channels

- 12.34% of firms use AI in marketing or sales [232].
- High workplace GenAI use supports B2B AI tools.

Netherlands · Opportunities

- **Advanced marketing AI** for an already-adopting base [232].
- **Workplace copilots and governance.** 26.56% of adults use GenAI for work [252].
- **Semiconductor supply-chain AI** around ASML [274].

Netherlands · Barriers and risks

- **Crowded supervision.** Ten supervisors may create overlapping guidance for firms working across sectors [238].
- **Data caveat.** The series break limits trend claims [232].

Netherlands · Outlook 2026–27

- 2026-27: the AI Act supervision bill is still a draft and has yet to reach parliament [238] [316].
- 2026-27: the Dutch AI Factory starts up.

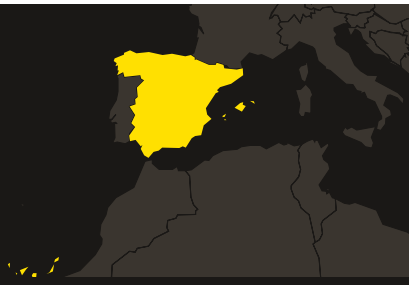
Notes and sources

1. Eurostat, isoc_eb_ai link [232]
2. Eurostat, isoc_ai_iaiu link [252]
3. Microsoft, Global AI Diffusion Q2 2026 link [16]
4. DataReportal, Digital 2026: The Netherlands link [314]
5. Stanford HAI, AI Index 2026 link [290]
6. Government of the Netherlands, draft AI Act implementation law consultation link [315]
7. artificialintelligenceact.eu, National implementation plans link [238]
8. ASML, ASML and Mistral AI partnership link [274]
9. Mistral AI, regional inference and new compute link [276]
10. European Commission, AI Factories link [269]
11. Mistral AI, University of Groningen link [317]
12. Raad voor de rechtspraak, advice on the AI Act implementation bill, 2026-07-15 link [316]

European Union · 9 of 46

Spain

Country profile ESP



Spain had the largest rise in business AI use among the EU's five biggest economies: up 9 points, from 11.31% to 20.27% of firms in 2025, now just above the EU average, and 45.1% of working-age people used generative AI in June 2026 (Microsoft).

45.1%
of working-age people use AI · rank 6 of 147
Microsoft AI Diffusion, Q2 2026

20.3%
of firms use AI (enterprises with 10+ persons employed, all...)
Eurostat, 2025

46.1m
internet users
DataReportal, 2025

Key dates, 2026–27

2026-03-25	CGPJ issues report on the draft AI governance law
2026-08-02	Article 50 transparency duties apply
2026-05-26	Council of Ministers approves the AI governance bill and sends it to Congress (bill 121/000096)
2026-10-06	Cortes dissolved; the AI governance bill lapses ahead of the 29 Nov 2026 election

How AI is regulated

Comprehensive AI law in force

What to watch

- 2026-27: whether the government formed after the 29 Nov 2026 election tables the AI governance bill again; AESIA enforcement under Article 50.

Spain · Market and adoption

- By size: small 17.17%, medium 30.10%, large 57.46%.
- Micro-firms (0-9 staff): 10.08%.
- Image, video and audio generation (11.38%) beats text generation (8.92%).
- AI for marketing or sales: 5.97%.
- 37.88% of adults used GenAI tools in 2025. 17.94% used them for work, and 16.26% for education, among the EU's highest education rates [252].
- Microsoft's measure rose from 39.7% (H1 2025) to 45.1% (Q2 2026) [16].
- DataReportal counts 46.1m internet users (96.4%) and 39.0m social media identities [318].
- 33 newly funded AI companies in 2025.

- Private AI investment is not in the AI Index top 15, so it is left null.

Spain · Policy and regulation

AESIA Spain's dedicated AI supervisor was created in 2023. It is the single point of contact and the main market surveillance authority [238].

The draft AI governance law [319] The "Anteproyecto de Ley para el buen uso y la gobernanza de la IA":

- was sent to the CGPJ on 23 Jan 2026
- got the CGPJ's report on 25 Mar 2026
- was approved by the Council of Ministers on 26 May 2026 and sent to Congress (bill 121/000096), but it lapsed when the Cortes were dissolved on 6 Oct 2026 ahead of the 29 Nov 2026 election [320]. A new government must table it again. AESIA remains the supervisor.

What it says on labelling and fines:

- Draft Articles 14 and 18 list breaches of transparency duties by providers and by deployers as **serious infringements**. This covers failure to label AI content.
- Fines follow AI Act caps: up to EUR 35m or 7%, EUR 15m or 3%, and EUR 7.5m or 1% of global turnover.
- A new Directorate-General for AI is proposed as notifying authority.
- 2 Aug 2026: Article 50 applies.
- 2026-27: a new government must table the bill again after the 29 Nov 2026 election [320].

Exhibit 2.21: Spain: the rules that matter for AI

Source: Research notes and official texts for Spain; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Anteproyecto de Ley para el buen uso y la gobernanza de la Inteligencia Artificial (draft AI governance law) [319]	[lapsed]	Sent to the CGPJ on 2026-01-23; CGPJ report 2026-03-25; approved by the Council of Ministers 2026-05-26; lapsed when the Cortes were dissolved on 2026-10-06	Articles 14 and 18 of the draft list breaches of transparency obligations by providers and deployers (which include AI content labelling) as serious infringements. Fines follow AI Act caps: up to EUR 35m or 7%, EUR 15m or 3%, EUR 7.5m or 1% of global turnover. AESIA is single point of contact and main market surveillance authority; a Directorate-General for AI is proposed as notifying authority.

Spain · Ecosystem and big-tech moves

- **Public compute.** Spain has two AI Factories. The BSC AI Factory at the Barcelona Supercomputing Center (upgraded MareNostrum 5) was in the first wave, Dec 2024. A second Spanish site came in the third wave, Oct 2025 [291] [269].
- **Language models.** The publicly funded ALIA model family covers Spanish and co-official languages, tracing its origins to 2019 under the Language Technologies Plan [321].

Spain · The AI services market and pricing

No verified local pricing. Visual content tools lead firm-level use [232].

Spain · Leading industries and use cases

- **Manufacturing.** 5,100 industrial robots were installed in 2024 [290].
- **Language technology** for public services (ALIA) [321].

Spain · Marketing, search, advertising and channels

- **Label-heavy creative.** Visual AI is used by 11.38% of firms. If the bill is tabled again and passes, unlabelled AI content risks serious-infringement fines [232] [319].
- **Wider language reach.** Spanish content reaches Latin America. Catalan, Basque and Galician need model support (ALIA) [321].

Spain · Opportunities

- **Momentum.** Adoption jumped 9 points in one year [232].
- **Labelling and compliance services** tied to EU AI Act Article 50 obligations and penalties for non-compliance, and the sanctions in the lapsed bill [319] [322].
- **Talent.** Strong AI job demand for delivery hubs [290].

Spain · Barriers and risks

- **Law lapsed.** The bill lapsed with the dissolution of 6 Oct 2026; national sanctions wait for a new government [319] [320].
- **Low capital visibility.** Private AI funding is not visible in the AI Index top 15 [290].

Spain · Outlook 2026–27

- 2026-27: a new government may table the AI governance bill again after the 29 Nov 2026 election; AESIA enforces Article 50 [238] [319] [320].
- 2026-27: the second AI Factory starts up [269].

Notes and sources

1. Eurostat, isoc_eb_ai link [232]
2. Eurostat, isoc_ai_iaiu link [252]
3. Microsoft, Global AI Diffusion Q2 2026 () and H2 2025 report (https://www.microsoft.com/en-us/research/wp-content/uploads/2026/01/Microsoft-AI-Diffusion-Report-2025-H2.pdf) link [16]
4. DataReportal, Digital 2026: Spain link [318]
5. Stanford HAI, AI Index 2026 link [290]
6. artificialintelligenceact.eu, National implementation plans link [238]
7. CGPJ, report on the draft AI governance law, 2026-03-25 link [319]
8. EuroHPC JU, first seven AI Factories link [291]
9. European Commission, AI Factories link [269]
10. BOE, Real Decreto 806/2026 dissolving the Cortes Generales, 2026-10-06 link [320]
11. Government of Spain, "ALIA" link [321]

12. European Commission, "Transparency obligations under Article 50 of the AI Act", 24 July 2026 link [322]

European Union · 10 of 46

Italy

Country profile ITA



Italy has had a comprehensive national AI law in force since 10 Oct 2025 (Law 132/2025). It doubled business AI use in a year, from 8.2% to 16.4% of firms. Yet it remains below the EU average on firms and has the second-lowest adult GenAI use in the EU (19.86% in 2025, Eurostat). Microsoft's telemetry puts working-age AI use at 31.4% (June 2026). Italy hosts the IT4LIA AI Factory at CINECA in Bologna.

31.4%
of working-age people use AI · rank 26 of 147
Microsoft AI Diffusion, Q2 2026

16.4%
of firms use AI (enterprises with 10+ persons employed, all...)
Eurostat, 2025

90.3%
of people use the internet
Eurostat, 2025

Key dates, 2026–27

2026-08-02	Article 50 transparency duties apply
2026-09-30	Legislative Decree 160/2026 (AI Act alignment for police use and civil and criminal liability) in force
2026-10-23	Legislative Decree 179/2026 (powers of the national AI authorities) in force

How AI is regulated

Comprehensive AI law in force

What to watch

- Dec 2026: Eurostat's planned AI-use update offers a checkpoint on whether the 2025 doubling holds [19].

Italy · Market and adoption

- By size: small 14.23%, medium 27.62%, large 53.09%.
- Image, video and audio generation: 7.04%. Text generation: 6.20%.
- AI for marketing or sales: 5.43% of firms with at least 10 employees in 2025 [323].
- Only 8.00% of adults use GenAI for work, second-lowest in the EU [324].
- Internet use: 90.32% of 16-74s (Eurostat).
- 38 newly funded AI companies in 2025.
- AI skills appear in 1.33% of job postings.
- Private investment is not in the AI Index top 15, so it is left null.

Italy · Policy and regulation

Law No. 132/2025 [325] [238]

- Full title: "Disposizioni e deleghe al Governo in materia di intelligenza artificiale".
- Dated 23 Sep 2025 and published in the Gazzetta Ufficiale n.223 on 25 Sep 2025.
- ACN (the national cybersecurity agency) is market surveillance authority and single point of contact.
- AgID is the notifying authority.
- The law also delegates further rule-making to the government.
- **Legislative Decrees 160/2026 and 179/2026.** Decree 160/2026 (9 Sep 2026, in force 30 Sep 2026) aligns national law with the AI Act for police use and civil and criminal liability [326]. Decree 179/2026 (7 Oct 2026, in force 23 Oct 2026) implements the AI Act's authority powers under Law 132/2025: AgID is the notifying authority, and ACN the market-surveillance authority and single point of contact [327] [328].
- **Data protection.** Italy's Garante fined OpenAI EUR 15m in Dec 2024 [266]; a Rome court annulled the fine in March 2026 on procedural grounds [329].

Exhibit 2.22: Italy: the rules that matter for AI

Source: Research notes and official texts for Italy; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Law No. 132/2025 'Disposizioni e deleghe al Governo in materia di intelligenza artificiale' [325]	[in force]	2025-10-10 (dated 2025-09-23; Gazzetta Ufficiale n.223, 2025-09-25)	Comprehensive national AI law. National Cybersecurity Agency (ACN) is market surveillance authority and single point of contact; AgID is notifying authority. Also delegates powers to the government for further AI rules.
Legislative Decree 9 Sep 2026, n. 160 [326]	[in force]	2026-09-30 (Gazzetta Ufficiale n. 214, 2026-09-15)	Aligns national law with the AI Act for police use of AI and civil and criminal liability.
Legislative Decree 7 Oct 2026, n. 179 [328]	[in force]	2026-10-23 (Gazzetta Ufficiale n. 234, 2026-10-08)	Implements the AI Act's authority powers under Law 132/2025: AgID notifying authority, ACN market surveillance and single point of contact; AI in training.

Italy · Ecosystem and big-tech moves

- **Public compute.** The IT4LIA AI Factory at CINECA Bologna, building on LEONARDO with a new AI-optimised supercomputer, was selected in the first wave (Dec 2024) [291].
- **Data centres.** 168 in 2025 [290].
- **Hyperscalers.** No hyperscaler move was verified.

Italy · The AI services market and pricing

No figure yet Local pricing for AI services is not yet in this edition.

Italy · Leading industries and use cases

- **Manufacturing.** 8,800 industrial robots were installed in 2024, second in the EU after Germany [290]. The AI Index notes Italian installs fell in 2024.

Italy · Marketing, search, advertising and channels

- **Low adult use limits consumer AI channels** for now [252].
- **Marketing AI.** 5.43% of firms with at least 10 employees use it for marketing or sales in 2025 [232] [323].

Italy · Opportunities

- **SME catch-up.** Small firms (14.23%) trail large ones (53.09%) [232] [330].
- **Legal clarity.** Named authorities lower uncertainty compared with countries still drafting [325] [238].
- **Workforce GenAI training.** Workplace use is very low [252].

Italy · Barriers and risks

- Low consumer and worker GenAI use [252].
- Limited visible private AI capital [290].

Italy · Outlook 2026–27

- 2026-27: further decrees under the law's remaining delegations.
- Dec 2026: Eurostat's planned AI-use update offers a checkpoint on whether the doubling holds [19].

Notes and sources

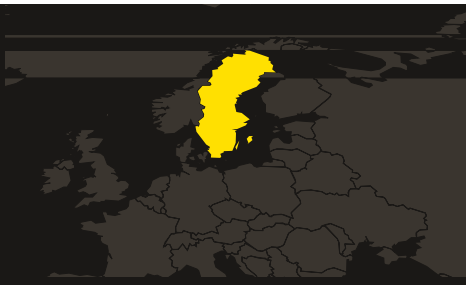
1. Eurostat, isoc_eb_ai link [232]
2. Eurostat, isoc_ai_iaiu link [252]
3. Microsoft, Global AI Diffusion Q2 2026 link [16]
4. Microsoft, H2 2025 report link [17]
5. Stanford HAI, AI Index 2026 link [290]
6. Gazzetta Ufficiale, Legge 23 settembre 2025, n. 132 link [325]
7. Eurostat, isoc_ci_ifp_iu link [282]
8. artificialintelligenceact.eu, National implementation plans link [238]
9. Usercentrics, GDPR and AI link [266]
10. EuroHPC JU, first seven AI Factories link [291]
11. nisd2.eu, AI Act timeline and status (Legislative Decree 179/2026) link [327]
12. Gazzetta Ufficiale, Decreto legislativo 7 ottobre 2026, n. 179, GU n. 234, 2026-10-08 link [328]
13. Gazzetta Ufficiale, Decreto legislativo 9 settembre 2026, n. 160, GU n. 214, 2026-09-15 link [326]
14. diritto.it, on the Rome court's annulment of the Garante's fine on OpenAI, 2026-06-03 link [331]

15. Tribunale di Roma, "Judgment on OpenAI and the Garante", 18 Mar 2026 link [329]
16. EU Digital & Tech, "Do you use AI for work?", 2026 link [324]
17. Eurostat, "Use of artificial intelligence in enterprises", Dec 2025 link [19]
18. Istat, "Imprese e Ict - Anno 2025", 15 Dec 2025 link [323]
19. Eurostat, "The use of artificial intelligence (AI) technologies in the European Union: Key results", 2026 link [330]

European Union · 11 of 46

Sweden

Country profile SWE



Sweden ranks third in the EU for business AI use (35.04% of firms in 2025, up from 25.09%) and 42.01% of adults used GenAI tools. It stands out for micro-firm use: 17.12% of firms with 0-9 staff used AI. Sweden drew $0.97bn in private AI investment in 2025 (AI Index), hosts the MIMER AI Factory in Linkoping, and has proposed PTS as its AI Act coordinator.

37.3%
of working-age people use AI · rank 17 of 147
Microsoft AI Diffusion, Q2 2026

35%
of firms use AI (enterprises with 10+ persons employed, all...)
Eurostat, 2025

$1bn
private AI investment
Stanford AI Index 2026, 2025

98.2%
of people use the internet
Eurostat, 2025

Key dates, 2026–27

2026-08-02 Article 50 transparency duties apply

How AI is regulated

Comprehensive AI law in force

What to watch

Sweden · Market and adoption

- By size: small 30.74%, medium 49.60%, large 71.87%.
- Text generation: 19.73%. Visual generation: 18.67%.
- AI for marketing or sales: 14.60%, about twice the EU average.
- 20.99% of adults use GenAI for work [252].
- Microsoft: 37.3% of working-age people (June 2026) [16]. Its H2 2025 report had Sweden at 33.3%, so growth is steady but slower than in France.
- Internet use: 98.25% of 16-74s (Eurostat).
- Sweden's lead is broad, not just in big companies. Small firms (30.74%) are only about 4 points behind the national average.
- That matters for vendors. The buyer base is wide and less dependent on a few large corporate deals.
- Cumulative private AI investment since 2013: $8.24bn.
- AI skills appear in 2.77% of job postings.
- But AI hiring growth lagged the wider labour market in 2025 (LinkedIn data in the AI Index).

Sweden · Policy and regulation

- **Proposed enforcement set-up.** SOU 2025:101 proposes PTS as coordinating market surveillance authority and single point of contact, with sector regulators alongside [332][238]. A government decision of June 2026 reportedly gave PTS and four other agencies interim AI Act roles until end-2026; the decision could not be re-opened on 3 Nov 2026.
- **AI bodies.** The government appointed an AI Commission in Dec 2023. An AI Council now works on competitiveness [238].
- **Dates.** Article 50 has applied since 2 Aug 2026.

Exhibit 2.23: Sweden: the rules that matter for AI

Source: Research notes and official texts for Sweden; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
SOU 2025:101 'Anpassningar till AI-forordningen' (inquiry proposal) [332]	[proposed]	Government proposal stage	Post and Telecom Authority (PTS) would coordinate market surveillance and be single point of contact; sector regulators (e.g. Medical Products Agency) supervise their fields.

Sweden · Ecosystem and big-tech moves

- **Public compute.** The MIMER AI Factory at NAISS, Linkoping University, was in the first wave [291].
- **Ericsson** works with Mistral on legacy code translation and AI-assisted 6G research (claimed) [333].
- **Hyperscalers.** No hyperscaler move was verified.

Sweden · The AI services market and pricing

No figure yet Local pricing for AI services is not yet in this edition.

Sweden · Leading industries and use cases

Exhibit 2.24: Sweden: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Ericsson [333]	Telecoms	Customised AI for legacy code translation and AI-assisted 6G research with Mistral	Initial work; no metrics	Claimed

Sweden · Marketing, search, advertising and channels

Marketing and sales AI (14.60%) and visual generation (18.67%) are both far above EU averages [232]. That makes Sweden a strong test market for AI marketing tools and Article 50 labelling services.

Sweden · Opportunities

Micro-business SaaS [232].

Marketing AI [232].

Telecom R&D AI [333].

Sweden · Barriers and risks

- AI hiring lagging overall hiring [290].
- Enforcement law not final [238].

Sweden · Outlook 2026–27

- 2026-27: legislation based on SOU 2025:101 (proposed entry into force: 2 August 2026) [332].

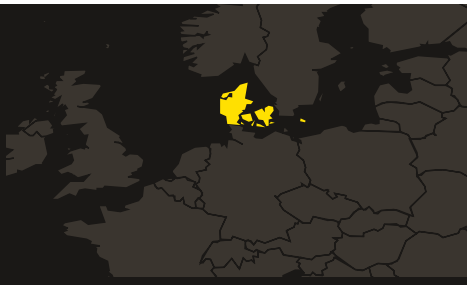
Notes and sources

1. Eurostat, isoc_eb_ai link [232]
2. Eurostat, isoc_ai_iaiu link [252]
3. Microsoft, Global AI Diffusion Q2 2026 () and H2 2025 report (https://www.microsoft.com/en-us/research/wp-content/uploads/2026/01/Microsoft-AI-Diffusion-Report-2025-H2.pdf) link [16]
4. Stanford HAI, AI Index 2026 link [290]
5. Eurostat, isoc_ci_ifp_iu link [282]
6. Government of Sweden, SOU 2025:101 link [332]
7. artificialintelligenceact.eu, National implementation plans link [238]
8. EuroHPC JU, first seven AI Factories link [291]
9. Mistral AI, Ericsson link [333]

European Union · 12 of 46

Denmark

Country profile DNK



Denmark is the EU's AI adoption leader on official data: 42.03% of firms with 10+ staff used AI in 2025 (up 14.45 points, the largest rise in the EU) and 48.44% of adults used GenAI tools, also the EU's highest. Microsoft's telemetry measure is lower (32.4% in June 2026), a reminder that sources differ.

32.4%
of working-age people use AI · rank 22 of 147
Microsoft AI Diffusion, Q2 2026

42%
of firms use AI (enterprises with 10+ persons employed, all...)
Eurostat, 2025

99.7%
of people use the internet
Eurostat, 2025

Key dates, 2026–27

2026-03-26	Microsoft opens Denmark East datacenter region
2026-08-02	Article 50 transparency duties apply

How AI is regulated

Comprehensive AI law in force

What to watch

- 2026-27: Danish authorities enforce Article 50 under Law 467, one of the earliest complete national set-ups. A broader AI bill (L 111) is reported to have lapsed in 2026; the parliamentary page could not be re-opened on 3 Nov 2026.

Denmark · Market and adoption

- By size: small 37.45%, medium 58.27%, large 74.52%.
- Text, speech or code generation: 30.76% of firms, the highest in the EU.
- Visual generation: 17.66%.
- AI for marketing or sales: 11.37%.
- 27.17% of adults use GenAI for work [252].
- Internet use: 99.71% of 16-74s (Eurostat) [282].
- AI talent concentration grew 89% from 2019 to 2025 (AI Index, LinkedIn).
- Denmark is not in the AI Index's 2025 top 15 for private investment or talent concentration.

Denmark · Policy and regulation

- **Law No. 467** took effect on 2 Aug 2025. It makes the Danish Agency for Digital Government the notifying authority, coordinating market surveillance authority and single point of contact [334] [238].
- The Data Protection Authority and the Court Administration also supervise.
- A stakeholder follow-up group has met since Sept 2024.
- Article 50 has applied since 2 Aug 2026.

Exhibit 2.25: Denmark: the rules that matter for AI

Source: Research notes and official texts for Denmark; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Law No. 467 on supplementary provisions to the AI Regulation [334]	[in force]	2025-08-02	Danish Agency for Digital Government is notifying authority, coordinating market surveillance authority and single point of contact; the Data Protection Authority and Court Administration also supervise.

Denmark · Ecosystem and big-tech moves

- **Microsoft** opened its Denmark East datacenter region on 26 Mar 2026. It has campuses in Hoje Taastrup, Koge and Roskilde. IDC forecasts that Microsoft and its partners will spend about $4.5bn in Denmark over four years (cited by Microsoft, claimed) [277].
- **No AI Factory.** Denmark is not among the 19 selected sites.

Denmark · The AI services market and pricing

No figure yet Local pricing for AI services is not yet in this edition.

Denmark · Leading industries and use cases

Denmark · Marketing, search, advertising and channels

Denmark has the heaviest firm-level use of text generation in the EU [232]. For marketers, this is a market where content-generation tools are already routine. Differentiation will come from quality, brand safety and labelling.

Denmark · Opportunities

- **Second-wave services.** With 42% of firms on AI, needs likely shift to agents, governance and ROI tracking. This is an analyst view based on adoption levels.
- **Data residency.** Local cloud capacity eases concerns for regulated buyers [277].

Denmark · Barriers and risks

- Small home market.
- Conflicting measures make the true level of consumer use uncertain [252] [16].

Denmark · Outlook 2026–27

- A full national enforcement set-up is already in place [334]. Opinion We expect early Article 50 supervision, although no source reached says which authority supervises Article 50 or from when. A broader AI bill (L 111) is reported to have lapsed; the parliamentary page could not be re-opened on 3 Nov 2026.

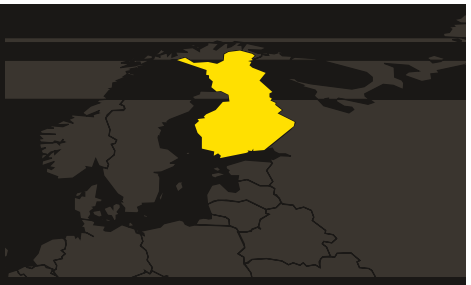
Notes and sources

1. Eurostat, isoc_eb_ai link [232]
2. Eurostat news, 2025-12-11 link [250]
3. Eurostat, isoc_ai_iaiu link [252]
4. Microsoft, Global AI Diffusion Q2 2026 link [16]
5. Stanford HAI, AI Index 2026 link [290]
6. Eurostat, isoc_ci_ifp_iu link [282]
7. Retsinformation, Law No. 467 link [334]
8. artificialintelligenceact.eu, National implementation plans link [238]
9. Microsoft, Denmark datacenter region, 2026-03-26 link [277]

European Union · 13 of 46

Finland

Country profile FIN



Finland is second in the EU for business AI use (37.82% of firms in 2025) and has the EU's highest rate among large firms (79.4%) and for AI in marketing or sales (15.81%). Its AI talent concentration (1.23% of LinkedIn members) is higher than Germany's or the Netherlands' (AI Index 2026).

30.6%
of working-age people use AI · rank 30 of 147
Microsoft AI Diffusion, Q2 2026

37.8%
of firms use AI (enterprises with 10+ persons employed, all...)
Eurostat, 2025

98.1%
of people use the internet
Eurostat, 2025

Key dates, 2026–27

2026-06-05	Microsoft signs preliminary deal for about 190 ha in Vaasa and Mustasaari (GigaVaasa) for...
2026-08-02	Article 50 transparency duties apply

How AI is regulated

Comprehensive AI law in force

What to watch

- 2026-27: possible Microsoft datacenter development in GigaVaasa (not committed on page reviewed).

Finland · Market and adoption

- By size: small 33.51%, medium 51.35%, large 79.40%.
- Text generation: 20.12%.
- 25.11% of adults use GenAI for work [252].
- Microsoft: 30.6% of working-age people (June 2026), up from 25.6% in H1 2025. That is lower than Eurostat suggests [16].
- Internet use: 98.08% of 16-74s [282].
- Finland's firm-level rise of 13.45 points in 2025 was the second-largest in the EU, after Denmark [232].
- Large Finnish firms are close to universal adoption (79.40%). The growth room is now in small firms (33.51%).
- Finnish adults also use GenAI more than most Europeans (46.27%, fourth in the EU) [252].
- AI talent concentration: 1.23% of LinkedIn members.
- That is higher than Germany (1.15%) and the Netherlands (1.05%).

Finland · Policy and regulation

- **Law 1377/2025** took effect on 1 Jan 2026 [335] [238].
- Existing authorities supervise AI in their own areas. Traficom is the single point of contact.
- There are four notifying authorities.
- Article 50 has applied since 2 Aug 2026.

Exhibit 2.26: Finland: the rules that matter for AI

Source: Research notes and official texts for Finland; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Law 1377/2025 on the supervision of certain AI systems [335]	[in force]	2026-01-01	Decentralised supervision by existing authorities; Traficom is single point of contact; four notifying authorities.

Finland · Ecosystem and big-tech moves

- **Public compute.** The LUMI AI Factory at CSC in Kajaani (LUMI-AI system) was in the first wave, Dec 2024 [291].
- **Microsoft land deal.** On 5 Jun 2026 Microsoft signed a preliminary deal for about 190 ha in Vaasa and Mustasaari (the GigaVaasa zone) for possible datacenters. It is also building its first region in Southern Finland [336].

Finland · The AI services market and pricing

No figure yet Local pricing for AI services is not yet in this edition.

Finland · Leading industries and use cases

Finland · Marketing, search, advertising and channels

Finnish firms are the EU's heaviest users of AI for marketing and of AI visuals [232]. That makes Finland a lead market for AI creative tools, and for the Article 50 labelling that comes with them.

Finland · Opportunities

- **Marketing and creative AI** [232].
- **Compute and datacenter corridor:** LUMI plus Microsoft [291] [336].

Finland · Barriers and risks

- Small home market.
- Lower Microsoft-measured consumer use [16].

Finland · Outlook 2026–27

- 2026-27: possible Microsoft datacenter build in GigaVaasa. It is not yet committed [336].

Notes and sources

1. Eurostat, isoc_eb_ai link [232]
2. Eurostat, isoc_ai_iaiu link [252]
3. Microsoft, Global AI Diffusion Q2 2026 () and H2 2025 report (https://www.microsoft.com/en-us/research/wp-content/uploads/2026/01/Microsoft-AI-Diffusion-Report-2025-H2.pdf) link [16]
4. Stanford HAI, AI Index 2026 link [290]
5. Eurostat, isoc_ci_ifp_iu link [282]
6. Finlex, Law 1377/2025 link [335]
7. artificialintelligenceact.eu, National implementation plans link [238]
8. EuroHPC JU, first seven AI Factories link [291]
9. Microsoft, Vaasa and Mustasaari land acquisition, 2026-06-05 link [336]

European Union · 14 of 46

Poland

Country profile POL



Poland shows the EU's widest gap between people and firms. 32.3% of working-age people used generative AI in June 2026 (Microsoft), level with Germany, but only 8.36% of firms with 10+ staff used AI in 2025, second-lowest in the EU. Large Polish firms (45.81%) are near the EU norm; small ones (5.79%) are far behind.

32.3%
of working-age people use AI · rank 24 of 147
Microsoft AI Diffusion, Q2 2026

8.4%
of firms use AI (enterprises with 10+ persons employed, all...)
Eurostat, 2025

89.7%
of people use the internet
Eurostat, 2025

Key dates, 2026–27

2026-06-11	Sejm passes the AI Systems Act
2026-07-03	Act on AI Systems enacted (Dz.U. 2026 poz. 1003)
2026-08-02	Article 50 transparency duties apply
2026-08-11	Act on AI Systems in force; Articles 8-18 and Chapters 3-5, 8 and 9 follow on 2026-10-28 [337]

How AI is regulated

Comprehensive AI law in force

What to watch

Poland · Market and adoption

- By size: medium 14.77%, SMEs overall 7.09%.
- Text generation: 5.23%. Visual generation: 2.75%.
- AI for marketing or sales: 4.93%.
- 22.68% of adults used GenAI tools in 2025, and 8.36% for work [252].
- Microsoft's measure rose from 26.4% (H1 2025) to 32.3% (Q2 2026) [16].
- Internet use: 89.65% of 16-74s.
- AI talent concentration: 1.00% of LinkedIn members in 2025 [61].
- AI skills appear in 2.92% of job postings in 2025, third in the EU among countries tracked, after Luxembourg and Spain [61].

Poland · Policy and regulation

Act on AI Systems [338] [238]

- The Sejm passed it on 11 Jun 2026. It was enacted as the Act of 3 Jul 2026 (Dz.U. 2026 poz. 1003), and it has applied since 11 Aug 2026, with Articles 8-18 and Chapters 3-5, 8 and 9 in force from 28 Oct 2026 [339] [337].
- It creates a new Commission on Development and Safety of AI as market surveillance authority and single point of contact.
- The Minister of Digitalisation is the notifying authority.

Article 50 has applied since 2 Aug 2026.

Exhibit 2.27: Poland: the rules that matter for AI

Source: Research notes and official texts for Poland; status as of 1 Oct 2026, updated 2 Nov 2026.

Law or rule	Status	Effective	What it means for business
Act on Artificial Intelligence Systems (Ustawa o systemach sztucznej inteligencji), Dz.U. 2026 poz. 1003 [339]	[in force]	In force from 2026-08-11; Articles 8-18 and Chapters 3-5, 8 and 9 from 2026-10-28 (Act of 2026-07-03; passed Sejm 2026-06-11) [337]	Creates a new Commission on Development and Safety of AI as market surveillance authority and single point of contact; Minister of Digitalisation is notifying authority.

Poland · Ecosystem and big-tech moves

- **Public compute.** The PIAST AI Factory at PSNC Poznan was in the second wave (Mar 2025). A second Polish AI Factory came in the third wave (Oct 2025) [292] [269].
- **Data centres.** 144 in 2025 [290].

Poland · The AI services market and pricing

No figure yet Local pricing for AI services is not yet in this edition.

Poland · Leading industries and use cases

Poland · Marketing, search, advertising and channels

Consumers already use AI at German levels, while firms lag far behind [232] [16]. That points to strong bottom-up demand for employee-led AI tools and consumer-facing AI features.

Poland · Opportunities

- **SME adoption.** Poland has the steepest size gap of the countries covered (5.79% vs 45.81%) [232].
- **Delivery talent.** In 2025, high AI job demand (AI skills in 2.92% of job postings) and AI talent representing 1.00% of LinkedIn members support AI service delivery centres [290] [61].
- **Consumer-business gap** [232] [16].

Poland · Barriers and risks

- Very low firm adoption [232].
- New regulator still being set up [238].

Poland · Outlook 2026–27

- 2026-27: the new AI Commission starts work under the Act on AI Systems, in force since 11 Aug 2026, with Articles 8-18 and Chapters 3-5, 8 and 9 applying from 28 Oct 2026 [238] [339] [337].

Notes and sources

1. Eurostat, isoc_eb_ai link [232]
2. Eurostat, isoc_ai_iaiu link [252]
3. Microsoft, Global AI Diffusion Q2 2026 () and H2 2025 report (https://www.microsoft.com/en-us/research/wp-content/uploads/2026/01/Microsoft-AI-Diffusion-Report-2025-H2.pdf) link [16]
4. Stanford HAI, AI Index 2026 link [290]
5. Eurostat, isoc_ci_ifp_iu link [282]
6. Sejm RP document on the AI Systems Act link [338]
7. artificialintelligenceact.eu, National implementation plans link [238]
8. EuroHPC JU, additional AI Factories link [292]
9. European Commission, AI Factories link [269]
10. Dziennik Ustaw (Journal of Laws), Act of 3 Jul 2026 on artificial intelligence systems, Dz.U. 2026 poz. 1003 link [339]
11. Stanford HAI, "AI Index Report 2026, Chapter 4: Economy", 2026 link [61]
12. Dziennik Ustaw (Journal of Laws), "Act of 3 Jul 2026 on artificial intelligence systems, Dz.U. 2026 poz. 1003", 27 Jul 2026 link [337]

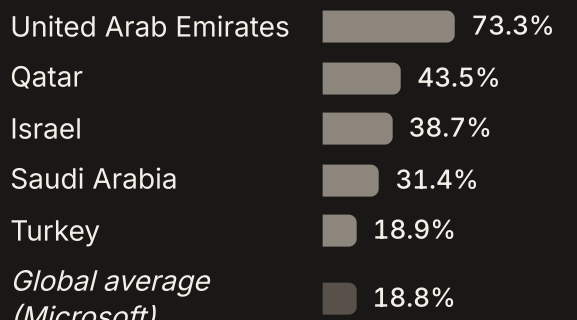
Part 2 · Region 04

Middle East

The UAE is the world's most intensive user of generative AI: Microsoft measured 73.3% of working-age people using AI in Q2 2026, first globally and almost four times the 18.8% global average, and it ranks 6th of 147 countries for ChatGPT messages per person. Saudi Arabia is turning Vision 2030 capital into AI infrastructure faster than into everyday use. Qatar punches above its size on AI use: 43.5% of working-age people used AI in Q2 2026, 10th globally (Microsoft).



AI users, % of working-age people (Q2 2026)



In this region

United Arab Emirates	131
Saudi Arabia	139
Qatar	146
Israel	150
Turkey	153

United Arab Emirates

Deep dive ARE



The UAE is the world's most intensive user of generative AI: Microsoft measured 73.3% of working-age people using AI in Q2 2026, first globally and almost four times the 18.8% global average, and it ranks 6th of 147 countries for ChatGPT messages per person.

73.3%
of working-age people use AI · rank 1 of 147
Microsoft AI Diffusion, Q2 2026

52%
of firms use AI (661 DIFC-authorised firms (Dubai financial...)
DIFC AI survey, 2025

11.3m
internet users
DataReportal Digital 2026: UAE, 2025

Key dates, 2026–27

2026-10-06	Ai Everything Abu Dhabi (6-7 Oct, ADNEC); Abu Dhabi to showcase 100+ live government AI use...
2026-12	Planned: first 200MW of Stargate UAE for 2026 delivery; Microsoft/Khazna 200MW expansion expected to start coming online before end-2026 [340]
2027	Abu Dhabi target to become a fully AI-native government; Microsoft target of 1 million AI...
2028	Federal target (set June 2026) to transform 50% of government with AI within two years

How AI is regulated

Existing law and sector regulators

What to watch

- 6-7 Oct 2026: Ai Everything Abu Dhabi; expect government AI showcases and vendor deals.
- 2026: first 200MW of Stargate UAE planned for delivery; the Microsoft/Khazna 200MW expansion expected to start coming online before year-end [341] [340] [342].
- 2026-27: more Arabic open models (Falcon, Jais 3 built on K2 Horizon) and enterprise Arabic agents; Stanford HELM Arabic becomes a reference benchmark [343] [344] [345].

Market and adoption

- **Generative AI use among people aged 15–64 keeps climbing.** 59.4% (H1 2025), 64.0% (H2 2025), 70.1% (Q1 2026), 73.3% (Q2 2026) [17] [119] [16]. Microsoft's measure is telemetry-based and adjusted for device share and internet penetration [16].
- **ChatGPT intensity.** Rank 6 for messages per person in Q2 2026, up from 11 a year earlier. In June 2026, 38.1% of UAE messages were work-related, above the US (31.0%). Writing was the top task (30.5% of messages) [346].

- **Surveys.** KPMG and the University of Melbourne found 97% of UAE respondents use AI, and 68% think current rules are enough (43% globally) [347][348]. Stanford reports over 80% of UAE employees use AI at work regularly [349].
- **Business adoption (no national statistic).** In the Dubai International Financial Centre, 52% of 661 authorised firms used AI in 2025, up from 33% in 2024. GenAI use among surveyed DIFC-authorised firms rose from 18% in 2024 to 48% in 2025 [350][351]. BCG rates 42% of UAE firms as "AI leaders" (40% globally) [352]. Roland Berger finds 85% of GCC organisations expect AI budgets to rise in 2026, but only a third have an enterprise-wide data strategy [353].
- **Agents at scale.** Dataiku's CIO survey (Harris Poll, 685 CIOs in eight countries, 9-29 July 2026) found 62% of UAE CIOs run more than 50 AI agents in production. 15% run more than 500, against 9% globally [354].
- **But autonomy is low.** ServiceNow's 2026 index scores the UAE 48/100, with only 7% of workflows autonomous [355].
- **Market size.** No credible, attributed figure. Gulf News (an op-ed, August 2025) cites about USD 3.47bn for 2023 and about 43.9% CAGR to 2030 without naming a source, so treat it as indicative [356]. Gartner forecasts MENA IT spending of USD 169bn in 2026 [357].
- **Company base.** Abu Dhabi had 673 AI companies (+61% in the year to June 2024) [358]. 315 entities hold a Dubai AI Licence [350].
- **Talent and capital.** The UAE ranked 2nd for net AI talent migration in 2025 (behind Luxembourg) and had the world's biggest rise in AI talent concentration, +121% from 2019 to 2025 [349]. It ranked 6th in Coursera's 2026 AI Skills Index [359]. It is not in Stanford's top 15 for 2025 private AI investment [61]; its AI capital mostly flows outward via MGX and Mubadala [360][361].
- **Connectivity.** 11.3m internet users at end-2025 (99.0% penetration) [362].

Policy and regulation

- **Strategy.** The UAE AI strategy launched in October 2017 and covers nine priority sectors [17]. It runs to 2031 as the National AI Strategy 2031 [363]. Omar Sultan Al Olama has been Minister of State for AI since 20 October 2017 [364]. AI is in all school curricula from 2025-26 [349][365].
- **Abu Dhabi.** An AED 13bn (about USD 3.54bn) government digital strategy, announced January 2025, targets the world's first AI-native government by 2027. It was past the halfway mark in September 2026, with 100+ AI use cases live and 1,170+ services on the TAMM portal [366][367].
- **Federal oversight.** In April 2026 the Ministerial Development Council became the Ministerial Council for AI and Development. It oversees AI across federal operations and a plan to embed AI in 50% of government activities within two years [368].
- **Federal sprint.** A 90-day AI sprint began in June 2026: 50 federal entities must each build an AI service, toward the 50% goal [369].
- **AI-made law.** On 14 April 2025 the Cabinet approved a Regulatory Intelligence Office. It uses AI to track the impact of laws and suggest changes, and is expected to speed law-making by up to 70% (claimed) [370].

- **Sector rules.** On 23 February 2026 the Central Bank issued a Guidance Note on consumer protection and responsible AI/ML. It asks all licensed financial institutions for explainability, human oversight and fairness [371].
- **AI content labelling.** Dubai Future Foundation's Human-Machine Collaboration classification (July 2025) marks AI versus human input and is mandated for Dubai government use [372].
- DIFC and ADGM run separate free-zone regimes.
- **Export controls.** US licences for Nvidia GB300 systems came in October 2025, with deliveries tied to UAE investment in US infrastructure [373]. In November 2025 the US approved up to 35,000 GB300 chips for G42, with security and reporting conditions [374]. In July 2026 Bloomberg reported the US had eased export curbs on the UAE (seen via Wikipedia; not independently verified) [375].
- **Dates to watch:** see Outlook below.

Exhibit 2.28: UAE: the rules that matter for AI

Source: Research notes and official texts for United Arab Emirates; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Federal Decree-Law No. 45 of 2021 on Personal Data Protection (PDPL)	[in force]	2022-01-02 †	Consent/lawful-basis, data-subject rights and cross-border rules for onshore personal data used in AI training, personalisation and ad targeting. DIFC and ADGM free zones run their own data-protection regimes.
CBUAE Guidance Note on Consumer Protection and Responsible Adoption and Use of AI and Machine Learning [371]	[in force]	2026-02-23 (issued)	All CBUAE-licensed financial institutions must provide transparency/explainability of AI-driven decisions, human oversight, fairness and data governance. Affects AI credit decisions, chatbots and personalised offers.
Cabinet decision creating the Regulatory Intelligence Office (AI-driven legislation) [370]	[in force]	2025-04-14 (approved)	Government expects AI to speed drafting and amending of laws by up to 70% (claimed), so rules may change faster; firms should monitor regulatory updates more frequently.
Dubai Human-Machine Collaboration (HMC) classification for AI vs human content [372]	[in force]	2025-07 (mandated for Dubai government use)	Sets a local precedent for labelling AI involvement in content; not yet a private-sector ad rule.

Ecosystem and big-tech moves

- **G42 group.** Microsoft announced a USD 1.5bn investment in April 2024 [376]. Core42's Maximus-384 supercomputer ranked 20th in the world (November 2025) [374].

- **Stargate UAE.** Announced May 2025 with OpenAI, Oracle, Nvidia, Cisco and SoftBank: a 1GW cluster inside a planned 5GW UAE-US AI campus [377][373][341]. In October 2025 G42 said the first 200MW was under construction for 2026 delivery [341]. In January 2026 it said chips would arrive "within months" [378]. Sources reviewed do not confirm go-live.
- **Chips.** In May 2025 a preliminary deal for 500,000 Nvidia chips a year through at least 2027, possibly 2030, was reported, with 20% for G42 [379][380]. Licences followed in October and November 2025 [373][374].
- **Microsoft.** USD 15.2bn committed by 2029: USD 7.3bn spent in 2023-25 and USD 7.9bn for 2026-29. A 200MW expansion with Khazna is expected to start coming online before end-2026 [340].
- **OpenAI.** Since August 2026, eligible ChatGPT Enterprise and Edu customers with UAE data residency enabled can run supported inference on UAE-based GPUs and store in-scope prompts and files locally [355][381]. On 2 Nov 2026 Abu Dhabi signed four agreements with OpenAI at ADIPEC, as reported by The National. ADNOC will deploy OpenAI Frontier through G42's Inception42, and no values were disclosed [382].
- **MGX.** Founded March 2024 by Mubadala and G42, with a USD 100bn AUM target. It is a founding Stargate investor and joined the approximately USD 40bn Aligned Data Centers deal (October 2025) [383][384].
- **National models.** Falcon Arabic (May 2025) [377]; Falcon-H1 Arabic with up to a 256k-token context and Falcon H1R 7B (January 2026) [343][385]; MBZUAI's K2 Think V2, 70B (January 2026) [386]; K2 Horizon, six open models up to 375B parameters (3 September 2026) [344].
- **September 2026.** Together AI announced plans for an Abu Dhabi presence, following Mubadala's USD 100m participation in its USD 800m Series C, announced on 1 July 2026 [361][387]. Meta launched an AI-wearables Open Studio with the UAE Cyber Security Council [388]. The UAE tapped Microsoft and Core42 for AI cyber defence (MDASH) [389].

The AI services market and pricing

- **What buyers buy:** sovereign cloud and GPU capacity, production AI agents, government AI services, compliant GenAI for banks, AI cybersecurity, Arabic assistants and skilling [354][369][371][389].
- **Who sells:** G42's Presight, Core42 and Inception42; platforms such as Microsoft, Dataiku and ServiceNow; and PwC Middle East, BCG, Roland Berger and KPMG [347][352][353][378][390].
- **Pricing:** no verifiable AED price points found.
- **Delivery models:** government mandates (every federal entity must ship an AI service), sovereign-capacity contracts, and platform licences delivered through integrators. There is no evidence of outcome-based pricing in the sources reviewed.

Leading industries and use cases

- **Government:** Abu Dhabi runs 100+ AI use cases on TAMM (reported) [366]. The Regulatory Intelligence Office targets up to 70% faster law-making (claimed) [370].
- **Financial services:** 52% of DIFC firms use AI, and the CBUAE guidance sets the compliance baseline [350][371].

- **Energy and logistics:** ADNOC says AI in ports cut vessel turnaround by up to 90%, with USD 1m projected savings by 2028 (claimed) [391].
- **Cybersecurity:** MDASH uses AI to find and rank vulnerabilities. Microsoft reports an 88.45% CyberGym score for MDASH (claimed; no UAE results yet) [389] [392].

Exhibit 2.29: UAE: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Abu Dhabi Department of Government Enablement [366]	Government	AI across government services on the TAMM platform	100+ AI use cases live; target AI-native government by 2027	Reported
UAE Cabinet (Regulatory Intelligence Office) [370]	Government / legislation	AI system to track law impact and propose legal updates	Up to 70% faster law-making expected	Claimed
UAE federal government [369]	Government	90-day AI sprint; 50 entities each design and implement an AI service	In progress; target 50% of government transformed within two years	Reported
ADNOC [391]	Energy / logistics	AI for port operations	Vessel turnaround reduced by up to 90%; projected USD 1m savings by 2028	Claimed
UAE government with Microsoft and Core42 [389]	Cybersecurity	MDASH AI-driven vulnerability discovery and risk prioritisation	Microsoft reports an 88.45% CyberGym score for MDASH (1,507 vulnerabilities) [392]; no UAE outcome data yet	Claimed

Marketing, search, advertising and channels

- **Assistants:** UAE ChatGPT use leans to writing (30.5%), practical guidance (26.2%) and information-seeking (21.2%), which fits heavy content work [346]. Local options include the free K2 Think V2 apps and Arabic.AI, whose LLM-X leads Stanford's HELM Arabic leaderboard [386] [393].
- **Messaging:** WhatsApp is described as the top channel, but only in secondary sources.
- **Commerce:** Visa (2026) found 85% of UAE consumers have used AI tools while shopping [394]. Across the region, under 40% would let AI complete a payment [369].
- **Language:** Arabic and English. Expats may be almost 90% of residents [395], so multilingual content (including South Asian languages) matters.
- **Digital ad spend:** no credible primary figure found.

Opportunities

- **Agent governance.** 62% of CIOs report more than 50 AI agents in production, yet only 5% can contain a rogue agent within 1-2 hours. 45% say it would take 24-48 hours, and only 18% have unified agent visibility [354].
- **Government build-out.** 50 federal entities are shipping AI services, and Abu Dhabi targets AI-native services in 2027. That means demand for Arabic conversational AI, integration and change management [369] [366].
- **Regulated GenAI.** CBUAE rules plus OpenAI's UAE data residency open the door to compliant copilots and model-risk tooling in banks and insurers [355] [371].
- **Pilot-to-value services.** With 7% autonomous workflows and only a third of surveyed GCC organisations holding an enterprise-wide data strategy, data foundations and process redesign are the bottleneck [353] [355] [396].
- **Agentic commerce with trust layers.** 85% of UAE consumers have used AI to shop, but only 32% trust AI agents to complete checkout [394].
- **Compute-adjacent services** (MLOps, sovereign-cloud migration) around Stargate UAE and Khazna [341] [340].

Barriers and risks

- **Execution gap:** high usage, low autonomy [354] [355].
- **Geopolitics:** the US-Iran war from early 2026 disrupted Gulf aviation. Dubai hotel occupancy averaged 56% in H1 2026, down 30% year on year [397]. Tourism and retail marketing budgets are exposed.
- **Compute depends on US licences** and their conditions [373] [374].
- **Regulatory clarity:** in 2024, 58% of UAE organisations cited unclear privacy and security rules as a barrier [363].
- **Thin public data** on market size, national business adoption and pricing.

Outlook 2026–27

- 6-7 Oct 2026: Ai Everything Abu Dhabi. Expect government showcases and vendor deals [398].
- 2026: first 200MW of Stargate UAE planned for delivery; 200MW Microsoft/Khazna expansion expected to start coming online before year-end [341] [340] [342].
- 2026-27: more open Arabic models (Falcon, Jais 3 built on K2 Horizon) and Arabic enterprise agents [343] [344] [345].
- 2027: Abu Dhabi AI-native government; Microsoft's 1m-learner goal [366] [399].
- Mid-2028: 50% of federal government AI-transformed (target) [369].
- Quarterly Microsoft data: watch for UAE use passing 75% [16].

Notes · Notes and sources

1. Microsoft AI Economy Institute, Global AI Diffusion Q2 2026, Sep 2026 link [16]
2. Microsoft, Global AI Diffusion Q1 2026, May 2026 link [119]
3. Microsoft, Global AI Adoption in 2025 (H2 2025), Jan 2026 link [17]
4. OpenAI Signals public data (CSV analysed; CC BY 4.0), 2026. (map: https://openai.com/signals/data/) link [346]

5. Stanford HAI, AI Index 2026, Ch. 4 Economy, Apr 2026 link [61]
6. Middle East AI News, "UAE, Saudi Arabia leadership highlighted in Stanford AI Index", 16 Apr 2026 link [349]
7. DataReportal, Digital 2026: UAE, 5 Nov 2025 link [362]
8. DataReportal, Digital 2026 Global Overview link [395]
9. Gulf News, "UAE leads global AI adoption with 97% of residents using it" (KPMG), 9 Oct 2025 link [347]
10. Middle East AI News, DIFC AI adoption 52%, 12 Nov 2025 link [350]
11. Middle East AI News, BCG GCC AI study, 12 Feb 2026 link [352]
12. Middle East AI News, Roland Berger "AI across the Gulf", 12 Feb 2026 link [353]
13. Middle East AI News, WEF 2026 news / PwC CEO Survey, 22 Jan 2026 link [378]
14. Middle East AI News, Dataiku CIO survey, 29 Sep 2026 link [354]
15. Middle East AI News, ServiceNow index; OpenAI UAE residency, 20 Aug 2026 link [355]
16. Middle East AI News, UAE 90-day AI sprint; Visa AI shopping, 11 Jun 2026 link [369]
17. Gulf News op-ed, UAE AI ambitions, 17 Aug 2025 link [356]
18. CXO Insight ME, Gartner MENA IT spending, 4 Aug 2025 link [357]
19. Gulf News, Abu Dhabi AI companies surge 61%, 11 Aug 2025 link [358]
20. Wikipedia, Omar Sultan Al Olama link [364]
21. Gulf News, "Abu Dhabi's AI government could act before you ask", 29 Sep 2026 link [366]
22. Middle East AI News, Abu Dhabi USD 3.54bn digital strategy (headline), 20 Jan 2025 link [367]
23. Middle East AI News, UAE Cabinet AI regulatory ecosystem, 14 Apr 2025 link [370]
24. Middle East AI News, CBUAE AI consumer-protection guidance, 23 Feb 2026 link [371]
25. Middle East AI News, Dubai HMC classification, 17 Jul 2025 link [372]
26. Middle East AI News, UAE to add AI to all school curricula (headline), 8 May 2025 link [365]
27. Wikipedia, G42 (company) (cites FT Apr 2024; Bloomberg 10 Jul 2026).) link [375]
28. Middle East AI News, USD 40B Saudi deals; UAE chip quota, 15 May 2025 link [379]
29. Middle East AI News, UAE-US 5GW cluster; Falcon Arabic, 22 May 2025 link [377]
30. Middle East AI News, US approves Nvidia UAE exports, 9 Oct 2025 link [373]
31. G42 via PR Newswire, Stargate UAE construction update, 16 Oct 2025 link [341]
32. Middle East AI News, Microsoft and G42 200MW; USD 15.2bn, 5 Nov 2025 link [340]
33. Middle East AI News, US approves Blackwells for G42, HUMAIN, 20 Nov 2025 link [374]
34. Wikipedia, MGX (company).) link [360]
35. Middle East AI News, TII new Falcon models, 8 Jan 2026 link [343]
36. Middle East AI News, K2 Think V2; HELM Arabic, 29 Jan 2026 link [386]
37. Wikipedia, MBZUAI (K2 Horizon) link [344]
38. Middle East AI News, Together AI to open Abu Dhabi office, 29 Sep 2026 link [361]
39. Middle East AI News, This week's top stories 20-26 Sep 2026 link [388]
40. Middle East AI News, UAE taps Microsoft, Core42 for AI cyber defence, 30 Sep 2026 link [389]
41. Middle East AI News, UAE 6th in Coursera Global AI Skills Index, 30 Sep 2026 link [359]
42. Middle East AI News, Presight 2025 revenue +37% (headline), 12 Feb 2026 link [400]
43. Gulf News, Ai Everything Abu Dhabi, 24 Sep 2026 link [398]
44. Gulf News, "70% of UAE workers use AI, Microsoft says", Sep 2026 link [399]
45. Gulf News, Gulf aviation six months into US-Iran war, 24 Aug 2026 link [397]
46. Middle East AI News, Presight AI Week; Saudi AI image fine (ADNOC item), 18 Sep 2025 link [391]

47. Middle East AI News, KPMG/University of Melbourne trust study link [348]
48. CXO Insight ME, AWS/IDC whitepaper on UAE and Saudi AI adoption, 14 Nov 2024 link [363]
49. Middle East AI News, UAE elevates AI oversight with new ministerial council, 30 Apr 2026 link [368]
50. The National, "Abu Dhabi agrees OpenAI deals to boost government services and education", 2 Nov 2026 link [382]
51. Dubai Financial Services Authority, "DFSA Artificial Intelligence Survey 2025", Nov 2025 link [351]
52. Microsoft, "Microsoft invests $1.5 billion in Abu Dhabi's G42 to accelerate AI development and global expansion", 16 Apr 2024 link [376]
53. Reuters via Investing.com, "US close to letting UAE import millions of Nvidia's AI chips, sources say", 14 May 2025 link [380]
54. OpenAI, "Announcing The Stargate Project", 21 Jan 2025 link [384]
55. MGX, "AI Infrastructure Partnership (AIP), MGX, and BlackRock's Global Infrastructure Partners (GIP) to Acquire All Equity in Aligned Data Centers", 15 Oct 2025 link [383]
56. OpenAI, "Data residency and inference residency for ChatGPT" link [381]
57. Mubadala, "Mubadala and Together AI Partner to Explore AI Infrastructure Opportunities in the UAE", 29 Sep 2026 link [387]
58. Technology Innovation Institute, "Abu Dhabi TII launches Falcon-H1 Arabic, establishing the world's leading Arabic AI model", 5 Jan 2026 link [385]
59. G42, "Our companies" link [390]
60. Microsoft, "Defense at AI speed: Microsoft's new multi-model agentic security system tops leading industry benchmark", 18 May 2026 link [392]
61. Arabic.AI, "Research" link [393]
62. Roland Berger, "Roland Berger Middle East report: 4 in 5 GCC organizations have an AI strategy, but just 34% have an enterprise-wide right data foundation to scale", 10 Feb 2026 link [396]
63. Visa, "Visa Study: 85% in UAE Use AI to Shop, But Trust is Key at Checkout", 9 Jun 2026 link [394]
64. Microsoft, "Microsoft and G42 Accelerate UAE's Digital Future with Major Data Centre Expansion" link [342]
65. MBZUAI, "MBZUAI's Institute of Foundation Models and Inception42 Launch Jais 3: Arabic-native AI for speech, writing and agents", 15 Oct 2026 link [345]

Middle East · 16 of 46

Saudi Arabia

Deep dive SAU



Saudi Arabia is turning Vision 2030 capital into AI infrastructure faster than into everyday use. PIF's HUMAIN (launched May 2025) has lined up chips and capacity with Nvidia (up to 600,000 GPUs over three years across Saudi Arabia and the US) [402], AMD, AWS, Qualcomm, xAI and, in 2026, Mistral and Microsoft, and the US approved up to 35,000 GB300 chips for it in November 2025.

31.4%
of working-age people use AI · rank 25 of 147
Microsoft AI Diffusion, Q2 2026

$2bn
private AI investment
Stanford AI Index 2026, 2025

100%
of people use the internet
World Bank [112], 2024

Key dates, 2026–27

2026-03	Council of Ministers declares 2026 the Year of AI; MIS wins about USD 501m HUMAIN AI data-centre...
2026-08-27	HUMAIN-Mistral deal (hundreds of millions of euros); ALLaM models planned for Microsoft Foundry [401]...
2026-09	2026-27 school year: 50 new AI curriculum units
2028	Planned completion of HUMAIN's Nvidia deployment of up to 600,000 GPUs (three-year plan from Nov 2025) [402]

How AI is regulated

Existing law and sector regulators

What to watch

- Through Dec 2026: Year of AI programmes; expect more government AI launches and training milestones.
- 2026: Qualcomm-backed 200MW inference capacity and further HUMAIN data-centre builds (MIS contract worth about USD 501m).
- 2026-27 school year: 50 new AI curriculum units.

Saudi Arabia · Market and adoption

- **People.** 23.7% (H1 2025), 26.2% (H2 2025), 29.4% (Q1 2026, rank 30), 31.4% (Q2 2026, rank 25). That was the largest rise in rank that quarter [16] [119] [17].
- **ChatGPT.** Rank 49 of 147 for messages per person in Q2 2026, up from 55 a year earlier. Use is less work-focused than in the UAE: 22.5% of messages were work-related in June 2026. Practical guidance was the top task (34.0%) [346].

- **Workers and attitudes.** Stanford's AI Index 2026 says over 80% of Saudi employees use AI at work regularly. Saudi Arabia also has the second-highest university-student GenAI adoption globally [349]. In the KPMG/University of Melbourne study, trust in AI was 62% and acceptance 84% (UK: 42% and 57%) [348].
- **Public sector.** The 2026 Public Sector AI Adoption Index ranks Saudi Arabia first of 10 countries. About 67% of public servants use AI tools daily and 84% have received AI training [403].
- **Enterprise spending (surveys, no official statistic).** Riverbed/Coleman Parkes (July 2025 fieldwork) found Saudi AI spending up approximately 160% year on year. 26% of enterprises invested over USD 50m, against 18% across other surveyed markets, but only 36% felt fully prepared [404] [405]. Cisco's AI Readiness Index found 91% plan to deploy AI agents and 68% report measurable gains, but only 39% can control and secure agents [406]. ServiceNow scores Saudi Arabia 50/100, with 10% of workflows autonomous [355].
- **Company formation.** Ministry of Commerce data show 19,638 AI commercial registrations by end-2025, up from 5,762 in 2021 [407].
- **Investment.** USD 2.03bn of private AI investment in 2025, 10th globally (Stanford, via [349]). Saudi Arabia is the only Gulf state in Stanford's top 15 [61]. Lucidya's USD 30m Series B was described as the largest AI venture round in the kingdom (2025; press description, claimed) [372] .
- **Talent.** 4th globally for net AI talent migration in 2025 [349] and 3rd for AI hiring growth in 2024 (28.7%) [408]. 25th in Coursera's 2026 AI Skills Index [359].
- **Market size and spend:** no credible Saudi-specific AI market or spend forecast was found. Gartner forecasts only MENA-wide IT spending (USD 169bn in 2026) [357].
- DataReportal notes that more than 4 in 10 residents are non-Saudi, and that Saudi ad spend is under 0.25% of GDP [395].

Saudi Arabia · Policy and regulation

- **Strategy.** Vision 2030 is the umbrella. SDAIA was set up in 2019, and the National Strategy for Data & AI launched in 2020 [407]. In March 2026 the Council of Ministers declared 2026 the Year of AI. Measures include government workforce training, mandatory university AI curriculum, a large government data centre and joining the Global Partnership on AI. Saudi Arabia is the first Arab member of GPAI [409] [407].
- Personal Data Protection Law (PDPL): in force since 14 September 2023; SDAIA's full enforcement began after a one-year grace period, on 14 September 2024.
- **AI content and IP.** In September 2025 the Saudi Authority for Intellectual Property fined an individual about USD 2,400 for publishing an AI-modified image without consent. It applied existing copyright law to GenAI [391]. For marketers, this means getting consent for AI-altered likenesses.
- **Health AI.** By November 2025 the SFDA had approved what was billed as the world's biggest "AI physician" clinical trial, to be run by HUMAIN and Lean Business Services [410] [411].

- **Export controls.** In November 2025 the US approved up to 35,000 GB300 chips for HUMAIN, with security and reporting requirements, under the US-Saudi Strategic AI Partnership [374].
- **Dates:** HUMAIN non-binding financing framework of up to USD 1.2bn for up to 250MW (January 2026, Davos) [378] [412]. SDAIA starts the 480MW Tier IV "Hexagon" data centre (January 2026) [343]. MIS wins a HUMAIN data-centre contract worth about USD 501m (March 2026) [409]. HUMAIN-Mistral deal and plans for ALLaM in Microsoft Foundry/Copilot (27 August 2026) [413] [401]. 50 new AI curriculum units for the 2026-27 school year [355]. Qualcomm-backed 200MW inference from 2026 [374]. HUMAIN's plan for up to 600,000 GPUs runs to about late 2028 [414] [402].

Exhibit 2.30: Saudi Arabia: the rules that matter for AI

Source: Research notes and official texts for Saudi Arabia; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Personal Data Protection Law (PDPL), regulator SDAIA	[in force]	2023-09-14; full enforcement after one-year grace period from 2024-09-14 †	Consent and purpose limits for personal data used in AI training, profiling and targeted marketing; cross-border transfer controls.
Copyright law applied to generative AI (Saudi Authority for Intellectual Property precedent) [391]	[in force]	2025-09 (fine issued)	SAIP fined an individual about USD 2,400 for publishing an AI-modified image without consent. Marketers need consent for AI-altered likenesses.
Saudi Food and Drug Authority approval of an 'AI physician' clinical trial (HUMAIN with Lean Business Services) [410]	[passed]	By Nov 2025 [411]	Regulator willing to authorise large AI-in-care trials; a pathway for health AI vendors.

Saudi Arabia · Ecosystem and big-tech moves

- **HUMAIN.** Launched 12 May 2025. Owned by PIF, chaired by the Crown Prince, led by CEO Tareq Amin. It spans infrastructure, cloud, data and models, and applications [415].
- **May 2025 deals:** more than USD 40bn in AI chip and AI infrastructure deals and investments during the US presidential visit [379]:
- Nvidia: 18,000 GB300 chips, 500MW target.
- AMD: USD 10bn JV, 50MW by Q4 2025, scaling to 500MW.
- AWS: USD 5bn+ "AI Zone".
- Oracle: USD 14bn over 10 years.
- **Oct 2025.** Qualcomm inference partnership. HUMAIN also unveiled Horizon Pro, billed as the "world's first Agentic AI PC", running ALLaM on Snapdragon X Elite [416].

- **Nov 2025.** HUMAIN plans up to 600,000 Nvidia GPUs over three years across Saudi Arabia and the US, partnering with Global AI in the US [414] [402]. HUMAIN and xAI plan a 500MW+ Saudi data centre [402]. AWS plans up to 150,000 accelerators in a Riyadh AI Zone. Luma AI raised USD 900m, linked to the planned 2GW "Project Halo" supercluster [374].
- **Aug 2026.** Mistral deal worth hundreds of millions of euros. Microsoft plans to add ALLaM to Foundry and M365 Copilot so firms can build Arabic agents [413] [401].
- **Aramco.** USD 2.6bn of AI value in 2025 from about 500 use cases, part of USD 5.3bn "technology realised value" (company-reported, claimed) [409].
- **Models.** ALLaM 34B was trained on more than 500bn Arabic tokens (Arab News) [417]. HUMAIN Chat is trained with Nvidia Nemotron [414].
- **Skills.** SAMAI national AI training (headline: 1m citizens trained, November 2025) [418]. SDAIA professional AI badges for data scientists and AI engineers [419].

Saudi Arabia · The AI services market and pricing

- **What buyers buy:**
- Data-centre builds and GPU/cloud capacity
- Arabic LLM integration
- Government AI and training
- AI for cybersecurity (51% of firms use AI for security) [406]
- AIOps and observability [404]
- **Who sells:** HUMAIN (full stack), MIS (data centres), Lean Business Services (health) and Lucidya (Arabic CX AI). PwC, BCG, Roland Berger, KPMG, Cisco and ServiceNow run research and programmes [406] [355] [353].
- **Pricing:** no verifiable SAR price points found.
- **Delivery models:** PIF/HUMAIN-anchored JVs and framework deals, government mandates, hyperscaler regions, and consultancy programmes. Many headline deals are frameworks or MoUs, not delivered capacity.

Saudi Arabia · Leading industries and use cases

- **Energy:** Aramco's roughly 500 AI use cases and USD 2.6bn AI value (claimed) [409].
- **Government:** 67% of public servants use AI daily (survey) [403].
- **Healthcare:** SFDA-approved AI physician trial (reported; results pending) [410].
- **Enterprise software:** ALLaM planned for Microsoft Copilot for Arabic agents (reported) [413] [401].

Exhibit 2.31: Saudi Arabia: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Saudi Aramco [409]	Energy	~500 AI use cases across operations	USD 2.6bn AI value in 2025, part of USD 5.3bn technology realised value	Claimed
Saudi government [403]	Public sector	AI tools for public servants	~67% use AI daily; 84% trained (survey of 3,335 public servants in 10 countries)	Reported
HUMAIN and Lean Business Services [410]	Healthcare	SFDA-approved AI physician clinical trial	Approved; results pending	Reported
HUMAIN and Microsoft [413]	Enterprise software	ALLaM Arabic models planned for Microsoft Foundry and M365 Copilot for Arabic agents	Planned; regional expansion planned [401]	Reported

Saudi Arabia · Marketing, search, advertising and channels

- **Assistants:** ChatGPT (rank 49) and HUMAIN Chat; ALLaM-powered agents planned for Microsoft 365 Copilot [346] [414] [413] [401].
- **Commerce:** Visa (2026) found 90% of Saudi consumers use AI tools while shopping, but fewer than 40% regionally would let AI pay [369].
- **Messaging and super-apps:** Tawakkalna (government) [420].
- **Language:** Arabic-first. Arabic benchmarks are maturing through Stanford CRFM's HELM Arabic leaderboard (Dec 2025).
- **Ad spend:** DataReportal says total ad spend is under 0.25% of GDP [395]. No credible digital ad-spend figure was found.

Saudi Arabia · Opportunities

- **Arabic enterprise agents on ALLaM** planned via Microsoft Foundry/Copilot: integration, agent design and Arabic evaluation [413] [401].
- **Year of AI programmes:** training, certification and university curriculum [409] [419].
- **Infrastructure services** around HUMAIN's multi-GW pipeline and SDAIA's 480MW Hexagon [414] [374] [343].
- **Agent security:** 91% plan agents, but only 39% can secure them [406].
- **AI commerce:** 90% of shoppers already use AI tools [369].
- **Businesses with AI commercial registrations** (19,638 registrations by end-2025) need cloud, data and go-to-market services [407] [421].

Saudi Arabia · Barriers and risks

- **Readiness:** only 36% fully prepared; 10% autonomous workflows [404] [355].

- **Use gap:** 31.4% generative AI use among people aged 15-64, against 73.3% in the UAE and 43.5% in Qatar [16].
- **Concentration and delivery risk:** much depends on PIF/HUMAIN frameworks and US licence conditions [374] [378].
- **IP and privacy enforcement** on AI imagery [391].
- **Regional conflict** since early 2026.
- **No credible public data** on market size, pricing or digital ad spend.

Saudi Arabia · Outlook 2026–27

- To December 2026: Year of AI launches and training milestones [409].
- From 2026: Qualcomm-backed 200MW rollout planned; MIS contracted to build a HUMAIN data centre [374] [409] [422].
- 2026-27: ALLaM models planned for Microsoft Foundry and M365 Copilot to enable Arabic-language agents across the Middle East and Africa via Microsoft [413] [401]. AI units in schools [355] .
- About late 2028: HUMAIN's planned deployment of up to 600,000 Nvidia GPUs across Saudi Arabia and the US [414] [402].
- Microsoft quarterly data: Saudi Arabia climbed five places to 25th in Q2 2026, the largest rise in rank, so watch for a top-20 entry [16].

Notes and sources

1. Microsoft, Global AI Diffusion Q2 2026, Sep 2026 link [16]
2. Microsoft, Global AI Diffusion Q1 2026, May 2026 link [119]
3. Microsoft, Global AI Adoption in 2025 (H2 2025), Jan 2026 link [17]
4. OpenAI Signals public data (CC BY 4.0) link [346]
5. Middle East AI News, Stanford AI Index highlights, 16 Apr 2026 link [349]
6. Stanford HAI, AI Index 2026 Ch. 4 Economy link [61]
7. Middle East AI News, HUMAIN launch, 12 May 2025 link [415]
8. Middle East AI News, USD 40B in Saudi AI deals, 15 May 2025 link [379]
9. Middle East AI News, HUMAIN Agentic PC; QIA-Blue Owl, 2 Oct 2025 link [416]
10. Middle East AI News, Riverbed Saudi AI spending, 10 Oct 2025 link [404]
11. Middle East AI News, SFDA AI clinical trial, 6 Nov 2025 link [410]
12. Middle East AI News, HUMAIN 600,000 Nvidia GPUs, 20 Nov 2025 link [414]
13. Middle East AI News, US approves Blackwells; US-Saudi summit, 20 Nov 2025 link [374]
14. Middle East AI News, Cisco AI Readiness Index Saudi, 26 Nov 2025 link [406]
15. Middle East AI News, SDAIA 480MW Hexagon, 8 Jan 2026 link [343]
16. Middle East AI News, WEF 2026 news, 22 Jan 2026 link [378]
17. Middle East AI News, Saudi leads public-sector AI adoption, 5 Feb 2026 link [403]
18. Middle East AI News, Aramco USD 2.6B AI value; Year of AI, 12 Mar 2026 link [409]
19. Middle East AI News, Saudi AI registrations triple, 7 Apr 2026 link [407]
20. Middle East AI News, HUMAIN deals with Mistral, Microsoft, 27 Aug 2026 link [413]

21. Middle East AI News, ServiceNow index; Saudi curriculum units, 20 Aug 2026 link [355]
22. Middle East AI News, Visa AI shopping study, 11 Jun 2026 link [369]
23. Middle East AI News, Saudi issues fine for AI images, 18 Sep 2025 link [391]
24. Middle East AI News, Lucidya Series B, 17 Jul 2025 link [372]
25. Middle East AI News, Saudi and UAE AI talent surge, 10 Apr 2025 link [408]
26. Middle East AI News, KPMG/University of Melbourne trust study link [348]
27. Arab News, "Humain", 5 Sep 2025 (updated 20 Oct 2025) link [417]
28. DataReportal, Digital 2026 Global Overview link [395]
29. CXO Insight ME, Gartner MENA IT spending, 4 Aug 2025 link [357]
30. Middle East AI News, HUMAIN invests USD 3bn in xAI (headline), 18 Feb 2026 link [423]
31. Middle East AI News, Riyadh robotaxi; Tawakkalna sandbox (headline), 24 Jul 2025 link [420]
32. Middle East AI News, Saudi trains 1M citizens in AI (headline), 13 Nov 2025 link [418]
33. Middle East AI News, SDAIA AI badge certifications, 30 Sep 2026 link [419]
34. Middle East AI News, Roland Berger GCC study, 12 Feb 2026 link [353]
35. Middle East AI News, Coursera Global AI Skills Index (Saudi 25th), 30 Sep 2026 link [359]
36. TahawulTech.com, "Riverbed highlights Saudi AI investments and opportunities ahead of GITEX 2025", 10 Oct 2025 link [405]
37. Lean Business Services, "Lean & HUMAIN get approval for AI Physician trial in Saudi Arabia" link [411]
38. National Infrastructure Fund (Infra), "HUMAIN and Infra Announce AI and Digital Financing Framework Agreement", 21 Jan 2026 link [412]
39. HUMAIN (PR Newswire), "HUMAIN Expands Strategic Partnership with NVIDIA, Advancing Global AI Infrastructure with xAI, Global AI, and AWS at the U.S.-Saudi Investment Forum", 19 Nov 2025 link [402]
40. Microsoft, "Microsoft and HUMAIN announce long-term strategic collaboration to enable AI transformation in Saudi Arabia and beyond", 26 Aug 2026 link [401]
41. AI Eqtisadiah, "Saudi AI technology commercial registrations rise 240% in five years", 7 Apr 2026 link [421]
42. Zawya Projects, "Saudi's MIS to build AI-focused data centre for HUMAIN" link [422]

Middle East · 17 of 46

Qatar

Country profile QAT



Qatar punches above its size on AI use: 43.5% of working-age people used AI in Q2 2026, 10th globally (Microsoft). The state is building a sovereign stack: QIA's new AI company Qai (Dec 2025) with a USD 20bn Brookfield infrastructure JV, the Fanar Arabic model family (Fanar 2.0 in 2026) and a National Data Bank.

43.5%
of working-age people use AI · rank 10 of 147
Microsoft AI Diffusion, Q2 2026

98.1%
of people use the internet
World Bank [112], 2024

Key dates, 2026–27

2026-03	Technical details published for Fanar 2.0 (Fanar-27B; debuted Dec 2025 per headline); Fanar 3.0...
2026-04-27	Shura Council debates AI governance and refers the motion to its Health, General Services and Environment Committee; no draft AI law proposed
2026-09	AI, data science and entrepreneurship added to school curricula from the 2026-27 school year
2026-09	Estithmar wins USD 137m deal to build a new MEEZA data centre targeting hyperscale

How AI is regulated

Guidance only, no AI bill yet

What to watch

- 2026-27 school year: AI and data science in school curricula.
- 2026-27: Shura committee report on AI regulation. No AI-specific draft law has been proposed yet.
- 2026-27: Qai/Brookfield compute centre build; MEEZA data centre targeting hyperscale.

Qatar · Market and adoption

- **People:** 35.7% (H1 2025), 38.3% (H2 2025), 41.8% (Q1 2026), 43.5% (Q2 2026). Qatar ranked 10th in both Q1 and Q2 2026 [16] [424].
- **ChatGPT per person:** rank 34 of 147 in Q2 2026, down from 5th in Q3 2025. In June 2026, 38.8% of messages were work-related, the highest of the five markets, and 32.7% were writing [346].

Qatar · Policy and regulation

- **Strategy.** The National AI Strategy (2019) has six pillars: education, data access, employment, business, research and ethics. Cabinet Decision No. 10 of 2021 created the AI Committee. MCIT issued a National AI Policy Brief in September 2025 [425].
- **Targets.** Digital Agenda 2030 aims for QR40bn cumulative economic impact and 26,000 ICT jobs by 2030 [426].
- **AI regulation.** On 27 April 2026 the Shura Council held a general debate on AI governance and referred the motion to its Health, General Services and Environment Committee [427]. Members raised bias, privacy, IP, liability, jobs and digital sovereignty. No AI-specific draft law has yet been proposed [425].
- **Education.** AI and data science enter school curricula from 2026-27 [413].

Exhibit 2.32: Qatar: the rules that matter for AI

Source: Research notes and official texts for Qatar; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Shura Council general debate on AI regulation [427]	[proposed]	Motion referred to committee 2026-04-27; no AI-specific draft law proposed	Council members raised bias, data protection, IP, liability and digital sovereignty; a future law could add obligations for AI providers and users.
Law No. 13 of 2016 on Personal Data Privacy Protection	[in force]	2016 †	Governs personal data used in AI and marketing.

Qatar · Ecosystem and big-tech moves

- **Qai** is QIA's AI company, launched December 2025 and chaired by Abdullah bin Hamad Al Misnad. A day later it formed a USD 20bn AI infrastructure JV with Brookfield, including an integrated compute centre in Qatar [428].
- **Other infrastructure.** In September 2025, QIA and Blue Owl agreed to establish a Doha-based digital infrastructure platform with over USD 3bn in initial data-centre assets [416] [429]. Estithmar won a USD 137m deal to build a new MEEZA data centre targeting hyperscale (September 2026) [388].
- **QIA as AI investor.** AUM was about USD 600bn in May 2026 (Wikipedia) [430]. Its AI bets include:
- xAI (December 2024) and Databricks (January 2025) [430]
- Replit's USD 400m Series D (March 2026, headline) [431]
- Positron's USD 230m round (February 2026, headline) [432]
- Ayar Labs' USD 500m Series E [409]
- **A more selective phase.** At Davos in January 2026, QIA signalled a more disciplined approach to AI investing, prioritising firms with clear revenue models, real-world deployment and measurable productivity gains [378].

- **Fanar.** Developed by QCRI at HBKU, Fanar launched in December 2024 [433][434]. It comes with FanarGuard moderation, Fanar-Sadiq for Islamic knowledge, and Arabic speech and vision models. Fanar 3.0 (mixture-of-experts) is planned [435].
- Artefact is building the National Data Bank with the National Planning Council [426].

Qatar · The AI services market and pricing

Buyers are mostly state entities: compute, national data platforms and Arabic/Islamic AI. No QAR price points were found.

Qatar · Leading industries and use cases

- **Government data:** National Data Bank (reported) [426].
- **Religious information and media:** Fanar runs on IslamWeb and IslamOnline and has processed "millions of queries" (claimed) [435].
- **Fintech:** QFEX 2026, a financial markets, AI and digital assets expo, opened in Doha on 29 September 2026 [436].

Exhibit 2.33: Qatar: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
QCRI / HBKU [435]	Media / religious information	Fanar models on IslamWeb and IslamOnline	Processed 'millions of queries'	Claimed
National Planning Council with Artefact [426]	Government	National Data Bank collecting data across the economy	In build	Reported

Qatar · Marketing, search, advertising and channels

ChatGPT use is strongly work- and writing-led [346]. Fanar is the sovereign Arabic assistant layer [435].

Qatar · Opportunities

- Data-centre and MLOps services around the Brookfield-Qai compute centre and MEEZA [428][388].
- Data-platform work for the National Data Bank [426].
- Arabic and Islamic-content AI built on Fanar [435].
- Compliance readiness ahead of any future AI rules [425].

Qatar · Barriers and risks

- A small, state-led market.
- Legal uncertainty while AI regulation is debated [425].

- Regional conflict.
- Very thin public market data.

Qatar · Outlook 2026–27

- School AI curriculum from 2026-27 [413].
- Shura committee report on AI regulation; no AI-specific draft law has been proposed yet [425].
- Build-out of the Qai/Brookfield compute centre and MEEZA [428] [388].
- Fanar 3.0 [435].

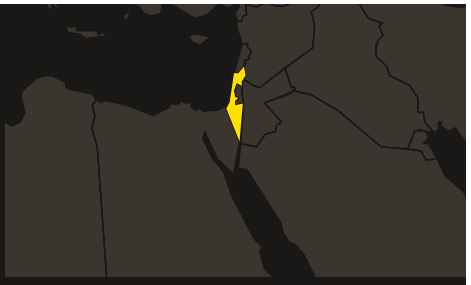
Notes and sources

1. Microsoft, Global AI Diffusion Q2 2026 link [16]
2. The Peninsula, "Qatar secures top-10 spot in latest Global AI Diffusion ranking", 27 Sep 2026 link [424]
3. OpenAI Signals public data (CC BY 4.0) link [346]
4. The Peninsula, "Qatar's AI mandate seeks human element within collective", 29 Sep 2026 link [426]
5. Middle East AI News, Qatar Shura Council mulls AI law, 28 Apr 2026 link [425]
6. Middle East AI News, Brookfield and Qai USD 20B JV, 9 Dec 2025 link [428]
7. Middle East AI News, Qatar's national AI platforms (Fanar 2.0), 18 Mar 2026 link [435]
8. Middle East AI News, QIA-Blue Owl fund, 2 Oct 2025 link [416]
9. Middle East AI News, WEF 2026 news, 22 Jan 2026 link [378]
10. Middle East AI News, Qatar adds AI studies, 27 Aug 2026 link [413]
11. Middle East AI News, This week's top stories 20-26 Sep 2026 link [388]
12. Middle East AI News, Ayar Labs round incl. QIA, 12 Mar 2026 link [409]
13. Middle East AI News, QIA joins Replit USD 400m Series D (headline), 13 Mar 2026 link [431]
14. Middle East AI News, QIA backs Positron USD 230m (headline), 6 Feb 2026 link [432]
15. Middle East AI News, Qatar partners with PwC and OpenAI (headline), 4 Dec 2025 link [437]
16. Wikipedia, Qatar Investment Authority link [430]
17. The Peninsula, QFEX 2026, 30 Sep 2026 link [436]
18. Middle East AI News, Qatar launches Fanar (headline), 10 Dec 2024 link [433]
19. Middle East AI News, Qatar debuts Fanar 2.0 (headline), 11 Dec 2025 link [438]
20. Shura Council, news on the general debate on AI governance, 27 Apr 2026 link [427]
21. Qatar Investment Authority, "Qatar Investment Authority and Blue Owl Capital Enter Agreement to Establish Digital Infrastructure Partnership", 25 Sep 2025 link [429]
22. Qatar Foundation, "December: The Year In Review 2024", December 2024 link [434]

Middle East · 18 of 46

Israel

Country profile ISR



Israel is the region's AI producer more than its heaviest consumer. It had the world's highest concentration of AI talent on LinkedIn (2.1%) and drew USD 3.58bn of private AI investment in 2025, 8th globally, and ranked 8th for newly funded AI companies (Stanford AI Index 2026).

38.7%
of working-age people use AI · rank 15 of 147
Microsoft AI Diffusion, Q2 2026

$3.6bn
private AI investment
Stanford AI Index 2026, 2025

88.2%
of people use the internet
World Bank [112], 2024

Key dates, 2026–27

2026-02-10	European Commission clears Google's acquisition of Wiz unconditionally
2026-03-11	Google completes USD 32bn acquisition of Wiz

How AI is regulated

Existing law and sector regulators

What to watch

- Post-Wiz: watch for recycling of exit capital into AI security and infrastructure start-ups.
- Microsoft AI Diffusion quarterly: whether Israel's usage growth re-accelerates.

Israel · Market and adoption

- **People:** 33.9% (H1 2025), 36.1% (H2 2025, rank 12), 38.1% (Q1 2026, rank 13), 38.7% (Q2 2026). The latest quarter added just +0.6pp, the smallest gain of the five markets [16] [119] [17].
- **ChatGPT per person:** rank 12 of 147 in Q2 2026, down from 3rd in Q2 2025. In June 2026, 25.5% of messages were work-related and 23.4% were information-seeking. Writing was only 18.6% [346].
- **Investment and talent (Stanford AI Index 2026):**
- USD 3.58bn private AI investment in 2025, 8th globally [61] [439]
- 8th for newly funded AI companies [61]
- "Israel had the highest concentration of AI talent among LinkedIn members (2.1%)" [61]
- **Wider tech:** Israeli start-ups raised USD 7bn in 2023. Fintech start-ups raised about USD 1.4bn in 2025, with about USD 5.8bn of fintech M&A (Wikipedia) [440].

Israel · Policy and regulation

- Israel follows a sector-based, soft-regulation approach. The Ministry of Innovation, Science and Technology set out "Principles of Policy, Regulation and Ethics in AI" (December 2023). A government National AI Program funds compute, data and research.
- Amendment 13 to the Protection of Privacy Law (in force around August 2025) strengthened the Privacy Protection Authority's enforcement powers.
- Israel signed the Council of Europe AI Framework Convention (September 2024).
- **2026 dates (verified):** the EU cleared Google-Wiz on 10 February 2026, and the deal closed on 11 March 2026 [441].

Exhibit 2.34: Israel: the rules that matter for AI

Source: Research notes and official texts for Israel; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Ministry of Innovation, Science and Technology 'Principles of Policy, Regulation and Ethics in AI'	[in force]	2023-12 †	No horizontal AI law; sector regulators apply risk-based guidance.
Protection of Privacy Law, Amendment No. 13	[in force]	2025-08 †	Stronger Privacy Protection Authority enforcement powers and higher sanctions for personal-data misuse, including in AI and marketing.

Israel · Ecosystem and big-tech moves

- Google's USD 32bn Wiz acquisition was announced 18 March 2025 and closed 11 March 2026. It is the largest technology acquisition involving an Israeli-founded company [442].

Israel · The AI services market and pricing

No ILS price points were found.

Israel · Leading industries and use cases

- **Cybersecurity:** Wiz [443].
- **Deep-tech AI start-ups:** backed by the talent density above [61].
- No verified enterprise use cases were retrieved.

Israel · Marketing, search, advertising and channels

ChatGPT use is broad but less work-centred than in the Gulf [346].

Israel · Opportunities

- AI security and governance, building on Israel's cyber exits [441].
- Sourcing deep-tech AI talent and start-ups for Gulf and global buyers [61].

Israel · Barriers and risks

- Slowing consumer growth and a falling ChatGPT per-capita rank [16] [346].

- Regional conflict and security risk.

Israel · Outlook 2026–27

- Recycling of Wiz exit capital into AI start-ups.
- Whether usage growth re-accelerates in Microsoft's quarterly data.

Notes and sources

1. Stanford HAI, AI Index 2026 Ch. 4 Economy link [61]
2. Microsoft, Global AI Diffusion Q2 2026 link [16]
3. Microsoft, Global AI Diffusion Q1 2026 link [119]
4. Microsoft, Global AI Adoption in 2025 (H2 2025) link [17]
5. Wikipedia, Wiz (company) (cites blog.google 18 Mar 2025 and 11 Mar 2026; Reuters 10 Feb 2026).) link [441]
6. OpenAI Signals public data (CC BY 4.0) link [346]
7. Verity, Private AI investment by geographic area (Stanford data) link [439]
8. Wikipedia, Silicon Wadi link [440]
9. Israel Innovation Authority, "Israel Innovation Authority 2025 High-Tech Report", 17 Sep 2025 link [442]
10. Wiz (via PR Newswire), "Wiz Emerges from Stealth with $100 Million Series A Financing and a Mission to Reinvent Cloud Security", 9 Dec 2020 link [443]

Middle East · 19 of 46

Turkey

Country profile TUR



Türkiye is a large but mid-table AI market: 18.9% of working-age people used AI in Q2 2026 (Microsoft), level with the 18.8% global average, and it ranks 70th of 147 for ChatGPT messages per person. Use is mostly personal: only 19.1% of Turkish ChatGPT messages were work-related in June 2026, the lowest of the five markets here.

18.9%
of working-age people use AI · rank 62 of 147
Microsoft AI Diffusion, Q2 2026

7.4%
of firms use AI (enterprises with 10+ staff)
Eurostat, 2025

77.5m
internet users, 88.3%
DataReportal Digital 2026, late 2025

Key dates, 2026–27

2026	AI amendments bill (tabled 7 November 2025) under review in the Grand National Assembly; watch for committee passage

How AI is regulated

Existing law and sector regulators

What to watch

- Microsoft AI Diffusion quarterly: Türkiye rose from 14.6% (H2 2025) to 18.9% (Q2 2026); watch whether it pulls clear of the global average.

Turkey · Market and adoption

- **People:** 13.4% (H1 2025), 14.6% (H2 2025), 17.4% (Q1 2026), 18.9% (Q2 2026). That is fast relative growth from a low base [16][119][17].
- **ChatGPT per person:** rank 70 of 147 in Q2 2026, up from 79th a year earlier. Only 19.1% of messages were work-related in June 2026, the lowest of the five markets. Practical guidance (35.6%) and self-expression (10.6%) were the highest shares [346].
- **Internet:** 77.5m users (88.3% of the population) in late 2025, per DataReportal's Digital 2026 report [444].
- **Ad spend:** DataReportal notes total ad spend is under 0.25% of GDP [395].
- **Investment:** not in Stanford's top 15 for 2025 private AI investment [61].
- No TurkStat enterprise-AI figure, market size or spend forecast was retrieved.

Turkey · Policy and regulation

- **Strategy.** National AI Strategy 2021-2025 (Digital Transformation Office and Ministry of Industry and Technology), updated by a 2024-2025 action plan.
- **KVKK.** Law No. 6698, amended by Law No. 7499. The amendments took effect on 1 June 2024 and revised special-category data and cross-border transfer rules.
- **AI bills.** A first AI law proposal was tabled on 24 June 2024. A second bill (7 November 2025) would amend existing laws to require "Generated by Artificial Intelligence" labels on deepfakes and 6-hour removal of unlawful AI content; it was still under review in 2026 [445].
- **Verified precedent.** The Competition Authority fined Trendyol TRY 61.3m in July 2023 over algorithm manipulation and marketplace data use [446].

Exhibit 2.35: Turkey: the rules that matter for AI

Source: Research notes and official texts for Turkey; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Law No. 6698 on the Protection of Personal Data (KVKK), amended by Law No. 7499	[in force]	Amendments effective 2024-06-01 †	Revised rules on special-category data and cross-border transfers (standard contracts, notification to the KVKK authority) affect AI training data and marketing data flows.
Draft AI bill submitted to the Grand National Assembly	[proposed]	Submitted 2024-06 †	
Bill amending laws on AI (Esas No. 2/3358) [445]	[proposed]	Tabled 2025-11-07; under review in 2026	Deepfakes would need a clear, non-removable "Generated by Artificial Intelligence" label; unlawful AI content removed within 6 hours.

Turkey · Ecosystem and big-tech moves

- **Trendyol** (Alibaba-backed) launched an in-house LLM in 2024, described as Turkey's first. It designs AI fashion collections for Gulf markets, launched a Gulf app in August 2023, and has offices in Dubai and Riyadh [447].
- **Hepsiburada:** Kaspi.kz completed its purchase of a controlling stake on 29 January 2025. Hepsiburada has about 12m active customers and 101,500 merchants [448].

Turkey · The AI services market and pricing

No TRY price points were found.

Turkey · Leading industries and use cases

E-commerce: Trendyol's LLM and AI-designed collections (claimed; no outcome data) [447].

Exhibit 2.36: Turkey: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Trendyol [447]	E-commerce	In-house large language model (described as Turkey's first) and AI-designed collections for Gulf markets	No outcome data published in sources reviewed	Claimed

Turkey · Marketing, search, advertising and channels

- ChatGPT use is personal and practical [346].
- Marketplaces dominate commerce [447] [448].

Turkey · Opportunities

- **Work-AI headroom.** Only 19.1% of ChatGPT use is work-related, against 38.1% in the UAE [346].
- **Cross-border commerce AI:** Turkish-Arabic catalogue, translation and content as platforms expand into the Gulf [447].

Turkey · Barriers and risks

- Usage at about the global average.
- Low ad spend relative to GDP [395].
- Algorithm scrutiny by competition authorities [449].

Turkey · Outlook 2026–27

- Whether usage pulls clear of the global average in Microsoft's quarterly data [16].

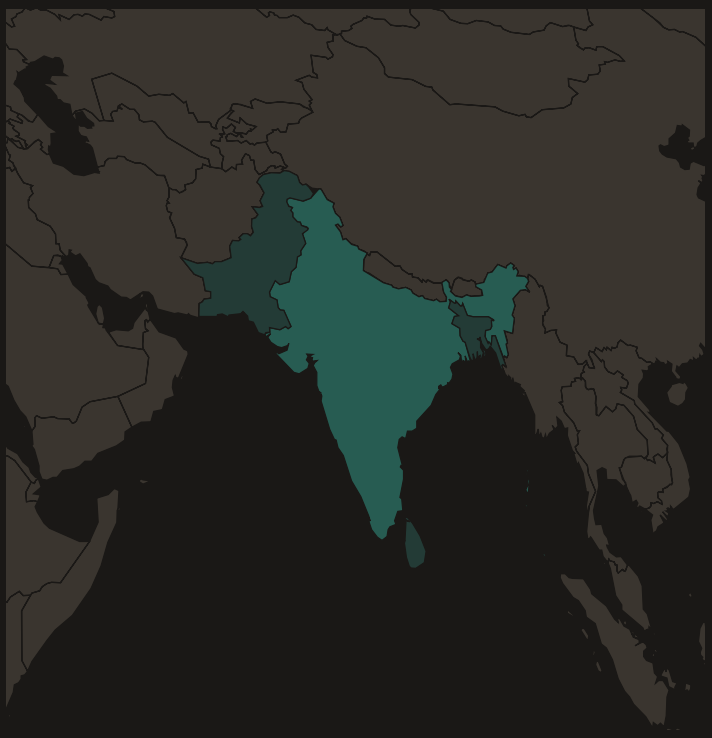
Notes and sources

1. Microsoft, Global AI Diffusion Q2 2026 link [16]
2. Microsoft, Global AI Diffusion Q1 2026 link [119]
3. Microsoft, Global AI Adoption in 2025 (H2 2025) link [17]
4. OpenAI Signals public data (CC BY 4.0) link [346]
5. Wikipedia, Trendyol link [447]
6. Wikipedia, Hepsiburada link [448]
7. Axis Intelligence, Internet users by country 2026 (cites DataReportal) link [450]
8. DataReportal, Digital 2026 Global Overview link [395]
9. Stanford HAI, AI Index 2026 Ch. 4 Economy link [61]
10. Moroglu Arseven, "Draft law proposing amendments to certain laws regarding artificial intelligence submitted to the Turkish Grand National Assembly", MA Gazette 156, 2025-12-18 link [445]
11. DataReportal, Digital 2026: Türkiye, 2025-11 link [444]
12. Turkish Competition Authority (Rekabet Kurumu), "DSM Grup Danışmanlık İletişim ve Satış Ticaret AŞ hakkında Yürütülen Soruşturmaya İlişkin Nihai Kararın 4054 sayılı Rekabetin Korunması Hakkında Kanun'un 49. Maddesi Uyarınca Açıklanması", 26 Jul 2023 link [446]
13. Turkish Competition Authority, "Decision of the Competition Board, 21-46/669-334", 30 Sep 2021 link [449]

Part 2 · Region 05

India & South Asia

India is one of the world's biggest AI user bases but still a mid-table market on population-wide use: ChatGPT alone claims 100 million weekly users in India (source could not be re-opened on 3 Nov 2026), while Microsoft measures 18.5% of working-age people using AI, just under the 18.8% global average. Pakistan is an early-stage AI market: Microsoft estimates 11.9% of working-age people used generative AI in Q2 2026, up from 9.7% in H1 2025 but well below the 18.8% global average.



AI users, % of working-age people (Q2 2026)

India	18.5%
Pakistan	11.9%
Bangladesh	8.0%
Sri Lanka	7.6%
Global average (Microsoft)	18.8%

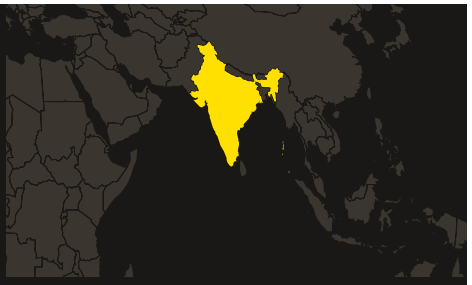
In this region

India	157
Pakistan	171
Bangladesh	174
Sri Lanka	178

India & South Asia · 20 of 46

India

Deep dive IND



India is one of the world's biggest AI user bases but still a mid-table market on population-wide use: ChatGPT alone claims 100 million weekly users in India (source could not be re-opened on 3 Nov 2026), while Microsoft measures 18.5% of working-age people using AI, just under the 18.8% global average.

18.5%
of working-age people use AI · rank 64 of 147
Microsoft AI Diffusion, Q2 2026

40%
of firms use AI (Indian enterprise respondents, Deloitte State...)
Deloitte India press release, 2026

$4.1bn
private AI investment
Stanford AI Index 2026, 2025

10–12 USD bn
AI-services revenue of Indian tech-services firms, incl. exports; not a domestic market size
Nasscom, 2026

1,000m
internet users
DataReportal, 2025

Key dates, 2026–27

2026-11-13	DPDP: Consent Manager registration provisions commence (and proposed, not notified, SDF...
2026-12	IndiaAI GPU additions to watch (a 100,000-GPU year-end goal appears only in secondary reports)
2027	Next global AI summit in Geneva, Switzerland
2027-05-13	DPDP main obligations for all Data Fiduciaries: computed commencement, pending official confirmation

How AI is regulated

Targeted binding rules

What to watch

- Nov 2026: DPDP consent-manager registration opens; watch whether MeitY notifies the 12-month SDF deadline
- Dec 2026: watch IndiaAI GPU additions (a 100,000-GPU year-end goal appears only in secondary reports); ThePrint reported on 8 October that the first tender covered 5,000 GPUs and contracts for 3,000 GPUs had been issued the previous week (reported).
- H2 2026: watch for SEBI AI/ML guidelines (chairman said 'shortly' in Aug 2026); ASCI's final AI-ad labelling guidelines (issued 29 Sep 2026) take effect on 29 Dec 2026

India · Market and adoption

Market size and forecasts. Estimates differ a lot by scope, so label them carefully.

- **Nasscom (June 2026):** tech services firms earn an estimated USD 10-12bn from AI services [451]. This includes exports, so it is not domestic spend. About 25% of firms have AI in production and 85% have agentic platforms. Nasscom sees agentic AI adding USD 300-400bn of addressable spend by 2030 [451].
- **Context:** the tech industry's FY26 revenue is estimated at USD 315bn (+6.1%), but headcount growth was projected at only 2.3% [452].
- **Forecasts:** Nasscom-BCG (2024) sees a USD 17bn AI market by 2027, growing 25-35% a year [453]. IDC-Intel (2024) sees AI spending of USD 5bn by 2027, up from USD 1.70bn in 2023 [454]. IDC (2024) sees USD 6bn by 2027 [455].

Enterprise adoption (surveys).

- **EY-CII (16 Nov 2025, 200 organisations):** 47% have multiple GenAI use cases in production and 23% are piloting. More than 95% allocate less than 20% of their IT budget to AI. 59% report an AI talent shortage [456].
- **Deloitte (24 Mar 2026):** 40% of Indian respondents report significant or full AI use, against about 28% globally. At-scale adoption: product development 62%, strategy and operations 56%, marketing and sales 55%, supply chain 48% [457].
- **BCG AI Radar 2026:** about 75% of CEOs in India and greater China are confident of AI ROI, ahead of Western peers [458].
- **RBI survey (February-May 2025, in the FREE-AI report of 13 August 2025):** 20.8% of 612 surveyed regulated entities were using or developing AI. The most common uses were customer support, credit underwriting, sales and marketing, and cybersecurity [459].
- **Workers:** BCG found 92% of Indian employees use AI at work against 72% globally (via [460]). Stanford's AI Index 2026 puts regular workplace users above 80% [461].
- **SMEs:** no credible 2025-26 survey found.

Consumer use and reach.

- **Microsoft AI Diffusion:** 14.2% in H1 2025, then 15.7% in H2 2025, 17.6% in Q1 2026 and 18.5% in Q2 2026 [17][119][16]. That is steady growth, but India sits just below the world average and just above China (17.5%) [16]. The Global South average is 16.2% [16].
- **Connectivity:** over 1 billion internet users; 70.0% of people aged 15+ are online (NSO). Over 440 million people are still offline [462][395].
- **Social reach:** about 500 million social media users, with Instagram at 481 million, YouTube at 500 million and LinkedIn at 170 million (Kepios via DataReportal, as summarised by [463]).
- **Private AI investment:** the Stanford AI Index 2026 puts India's cumulative private AI investment for 2013-2025 at USD 15.4bn [61].
- **Deal flow:** Tracxn counts more than USD 5.3bn of private equity into AI startups up to October 2025, including USD 2.37bn into GenAI [464]. Q1 2026 AI startup funding reached USD 1.5bn, or 38% of all Indian startup funding (Startup Feed via [460]).
- **Talent:** Nasscom counts more than 2 million AI-skilled professionals, of whom 100,000-200,000 have advanced AI skills [451].

- **GCCs:** India hosts 2,117 global capability centres with USD 98.4bn revenue and 2.36 million staff. They employ about 250,000 AI specialists, and 1,200+ GCCs already run embedded AI/ML work (Nasscom-Zinnov, July 2026, via [460]).
- **Sentiment warning:** India saw the world's steepest rise in nervousness about AI, up 14 points from 2024 to 2025 [461].

India · Policy and regulation

Overall model. India uses guidance plus sector rules, with no horizontal AI law. The 2026 Global Index on Responsible AI ranks India 46th of 135 countries [465].

1. India AI Governance Guidelines (MeitY, November 2025) [466] [467]

- Seven "sutras" (trust, people first, fairness, innovation over restraint, accountability, understandable by design, safety) and six pillars.
- Key line: "a separate law to regulate AI is not needed given the current assessment of risks." Existing laws (IT Act, DPDP, consumer protection, sector rules) do the work.
- New bodies: an AI Governance Group chaired by the Principal Scientific Adviser, a Technology and Policy Expert Committee, and an AI Safety Institute.
- For business: voluntary commitments, grievance redress, transparency reports and graded liability across the AI value chain.

2. IT Rules amendment on synthetic content [468] [469] [470]

- Notified 10 February 2026, in force 20 February 2026.
- AI-generated audio and video need a prominent label plus permanent metadata.
- Platforms with 50 lakh+ users must collect and verify user declarations.
- Takedowns: 3 hours for government or court orders (was 36) and 2 hours for non-consensual intimate imagery. Compliant removals keep Section 79 safe harbour.

3. DPDP Act 2023 and DPDP Rules 2025 [471] [472] [473] [474] [475]

- Act assented 11 August 2023. Rules notified 13 November 2025.
- Phases: Data Protection Board from 13 November 2025; consent managers from 13 November 2026; all core duties (consent, notice, security, breach reporting, children's data) computed to commence on 13 May 2027, pending official confirmation.
- Penalties: up to INR 250 crore for security failures. The four-member Board runs fully online; appeals go to TDSAT.
- **Watch item:** in January 2026, MeitY proposed a 12-month window for Significant Data Fiduciaries (November 2026). As of 9 October 2026, no amendment had been notified [473] [474] [475].
- **Data for AI training:** MeitY has floated a consent-based framework for sharing data to train AI models, as reported by Inc42 on 31 October 2026. No official document was found [476].

4. RBI FREE-AI (13 August 2025) [477] [478]

- Seven sutras, six pillars and 26 recommendations.
- Asks for a board-approved AI policy, an AI inventory, AI disclosures in annual reports, AI incident reporting, customer grievance routes and an AI sandbox. Analysts writing in April 2026 expect specific FREE-AI recommendations to be operationalised through RBI directions and circulars within 12-24 months.

5. SEBI (Intermediaries) (Amendment) Regulations 2025: AI/ML responsibilities [479]

- The Intermediaries (Amendment) Regulations 2025 make regulated entities solely responsible for AI outputs, built or bought.
- On 19 August 2026, Chairman Tuhin Kanta Pandey said final AI/ML guidelines would come "shortly", with kill-switches and humans-in-the-loop.

6. TRAI anti-spam rules [480] [481] [482] [483]

- TCCCPR Second Amendment notified 12 February 2025. It set aside a new 1600 number series for service and transactional calls. Promotional calls stay on the 140 series [484].
- Senders face graded penalties of INR 2 lakh, 5 lakh and 10 lakh. AI voice agents follow the same rules.
- A March 2026 draft would bring caller-ID apps like Truecaller under TRAI.

7. ASCI Guidelines for Responsible Labelling of Synthetically Generated Content in Advertising (final, 29 September 2026; in effect from 29 December 2026) [485] [486] [487]

- The draft was published in May 2026 and consultation closed on 13 June 2026. ASCI issued the final guidelines on 29 September 2026.
- Material synthetic content, such as virtual influencers, AI voice or likeness and synthetic demos, needs a label such as "Audio/Video created using AI".
- Ads that are illegal, misleading or use deepfakes, fabricated endorsements or someone's likeness without consent stay prohibited even with a label.

8. TRAI draft guidelines on AI in telecoms (30 October 2026) [99] [488]

- TRAI issued draft guidelines on the responsible use of AI in telecom services on 30 October 2026.
- As reported by Digit, the draft proposes risk tiers for AI systems, board-approved AI policies and incident reporting by telcos. Comments are due on 27 November [489].

Date	Event
15 Feb 2026	TRAI 1600-series deadline for mutual funds (stockbrokers 15 Mar) [483]
16-21 Feb 2026	India AI Impact Summit, New Delhi [490]
20 Feb 2026	Synthetic-content IT Rules in force [468]
13 Jun 2026	ASCI AI-ad consultation closed [487]

Date	Event
29 Sep 2026	ASCI issues final AI-ad labelling guidelines, in effect from 29 Dec 2026 [485] [486]
30 Oct 2026	TRAI draft guidelines on responsible AI in telecoms issued [99]
13 Nov 2026	DPDP consent-manager provisions; proposed SDF deadline (not notified) [473]
27 Nov 2026	Comments due on TRAI's draft AI guidelines, as reported by Digit [489]
Dec 2026	IndiaAI GPU additions; a 100,000-GPU year-end goal appears only in secondary reports [491] [492]
2027	Next global AI summit, Geneva [493]
13 May 2027	DPDP main obligations: computed commencement, pending official confirmation [473]

Exhibit 2.37: India: the rules that matter for AI

Source: Research notes and official texts for India; status as of 1 Oct 2026, with the TRAI draft of 30 Oct 2026 added.

Law or rule	Status	Effective	What it means for business
India AI Governance Guidelines (MeitY) [466]	[in force]	2025-11-05	7 'sutras', 6 pillars; says a separate AI law is not needed 'at this stage'; pushes voluntary commitments, grievance redress, transparency reports and a graded liability model; creates AI Governance Group, Technology & Policy Expert Committee and AI Safety Institute
IT (Intermediary Guidelines and Digital Media Ethics Code) Amendment Rules, 2026 (synthetically generated information) [468]	[in force]	2026-02-20 (notified 2026-02-10)	AI-generated audio/video must be prominently labelled with permanent metadata; significant social media intermediaries (50 lakh+ users) must collect user declarations and verify; government/court takedowns within 3 hours (was 36), non-consensual intimate imagery within 2 hours

Law or rule	Status	Effective	What it means for business
Digital Personal Data Protection Act 2023 and DPDP Rules 2025 [471]	[partly in force]	Rules notified 2025-11-13; consent-manager provisions 2026-11-13; main obligations computed to commence 2027-05-13, pending official confirmation	Consent, notice, security safeguards, breach reporting and children's-data rules are computed to commence on 13 May 2027, pending official confirmation; penalties up to INR 250 crore per breach type; a Jan 2026 MeitY proposal to pull Significant Data Fiduciary deadlines forward to Nov 2026 had not been notified as of Sep 2026
RBI FREE-AI Framework (Framework for Responsible and Ethical Enablement of AI) [477]	[committee report]	Report released 2025-08-13	26 recommendations: board-approved AI policy, AI inventory, AI disclosures in annual reports, AI incident reporting, customer grievance route for AI decisions, AI innovation sandbox, support for indigenous models
SEBI (Intermediaries) (Amendment) Regulations 2025 and proposed Guidelines for Responsible Usage of AI/ML [494]	[amendment in force]	2025 (amendment); guidelines pending	SEBI-regulated entities are solely responsible for AI tool outputs, data privacy and legal compliance, whether AI is built or bought; final guidelines will mandate kill-switches and humans-in-the-loop
TRAI TCCCPR (Second Amendment) Regulations 2025 [481]	[in force]	Notified 2025-02-12	Promotional calls stay on the 140-series; service/transactional calls use the new 1600-series; graded penalties on senders (INR 2 lakh / 5 lakh / 10 lakh); 5 complaints in 10 days triggers action. AI voice agents fall under the same rules
ASCI Guidelines for Responsible Labelling of Synthetically Generated Content in Advertising [486]	[passed]	Final 2026-09-29; in effect 2026-12-29 (draft May 2026; consultation closed 2026-06-13)	Three categories: prohibited, label required, no label. Virtual influencers, AI voice or likeness and synthetic product demos need labels such as 'Audio/Video created using AI'; illegal or misleading ads, deepfakes, fabricated endorsements and use of someone's likeness without consent stay prohibited even with a label
TRAI draft guidelines on responsible use of AI in telecom services [99]	[draft]	Issued 2026-10-30; comments due 2026-11-27 (as reported by Digit)	As reported by Digit: risk tiers for AI systems, board-approved AI policies and incident reporting by telcos

India · Ecosystem and big-tech moves

IndiaAI Mission [495] [496] [497] [491] [498] [499]

- Cabinet approved INR 10,371.92 crore on 7 March 2024, including INR 4,563.36 crore for compute and INR 1,971.37 crore for foundation models.

- GPUs: 34,333 by 30 May 2025, 38,000+ by early 2026, and 20,000 more announced at the summit [495] [490]. The third tender is adding 1,050 Google Trillium TPUs (within about 3,850 additional units) [498]. As reported by ThePrint on 8 October 2026, the mission puts current GPU demand at 10,000. A first tender covers 5,000 GPUs, and contracts for 3,000 were issued the week before the 8 October report [492].
- Money is slow to flow: releases of INR 21.79 crore in FY25 and INR 379.15 crore in FY26 (secondary) [491].
- April-May 2025 picks: Sarvam (120B, 26 April), then Soket AI (120B), Gnani (14B voice) and Gan AI (70B text-to-speech) in May, from 506 proposals [495]. Grantees later grew to 19 (secondary) [497].
- Sarvam announced Sarvam-30B and Sarvam-105B on 18 February 2026 [500] and open-sourced them in early March 2026 [501]. BharatGen launched Param2 (17B, 22 languages) and Gnani a 12-language voice model [502] [493].

AI Impact Summit (16-21 February 2026) [490] [503] [502] [504]

- Declaration endorsed by 92 countries and international organisations, per PIB (press counts rose from 88 on 21 February to 91 by 24 February as more joined) [490].
- USD 250bn+ in infrastructure pledges and USD 20bn in deep-tech venture commitments [503]. Named: Reliance USD 110bn over 7 years, Adani USD 100bn by 2035, Lightspeed USD 10bn, General Catalyst USD 5bn [490].
- **Google:** USD 15bn AI hub in Visakhapatnam with AdaniConneX and Airtel, announced 14 October 2025 for 2026-2030 [505] [506]. Ground was broken on 28 April 2026 [507]. The Guardian reported clearance for 2.51 GW, plus land disputes with local farmers (via TNW, 26 September 2026) [508]. Google also committed to train 20 million civil servants [490].
- **Microsoft:** USD 17.5bn for 2026-2029, including a Hyderabad hyperscale region (December 2025, secondary) [460]. This follows INR 25,000 crore (about USD 3bn) for 2025-27 [509], plus a USD 50bn Global South pledge at the summit [502] [510].
- **AWS:** a USD 12.7bn India cloud investment was cited in October 2025 [464]. NIC announced a deployment of AWS Outposts with Yotta under MeghRaj 2.0 (February 2026) [511].
- **OpenAI:** opened a New Delhi office and launched ChatGPT Go at INR 399/month with UPI (August 2025) [42] [512]. Go became free for a year for Indian users from late 2025 [460] [513]. OpenAI and TCS announced a partnership at the summit [502].
- **Anthropic:** Infosys will put Claude into Topaz and set up an Anthropic CoE for regulated sectors (February 2026) [502]. TCS signed a partnership with Anthropic to equip 50,000 staff with Claude and offer Claude training and certification (June 2026) [514].
- **Reliance/Jio:** a multi-GW AI data centre programme, with 120+ MW at Jamnagar expected online in H2 2026. A Jio-Google deal gives Jio subscribers free Gemini AI Pro (secondary) [460].
- **TCS HyperVault:** a 1 GW data-centre unit with up to USD 7bn capex. TPG will invest USD 1bn for 49% (November 2025) [515].

- **Neysa:** Blackstone-led equity commitment of up to USD 600m [502]. Digital in Asia later reports USD 1.2bn raised [460].
- **Data-centre capacity:** about 1.5 GW in 2025, heading to 4-5 GW by 2030 (Ellenox via [460]).

India · The AI services market and pricing

- Top GenAI priorities: operations (63%), customer service (54%) and marketing (33%) [456].
- 49% of firms blend buy and build; 31% buy off-the-shelf and 19% build custom. Enabling spend goes to security and compliance (68%) and data management (61%) [457].

IT services AI revenue.

- TCS reports a USD 1.8bn annualised AI revenue run-rate. Infosys reports about USD 275m, around 5.5% of revenue, with the period not stated. Both figures come via Digital in Asia citing Nasscom [460].
- TCS FY26 revenue was INR 2,71,423 crore. Headcount was 584,519 in March 2026, after about 12,000 cuts announced in July 2025 [515].

Item	Price	Type	Source
ChatGPT Go	INR 399/month (free 12 months for Indian users from late 2025)	published	[42] [512]
IndiaAI GPU, round-2 lowest bids	INR 29/hr (NVIDIA L4), INR 46.80/hr (Gaudi 2), INR 85.50/hr (AMD MI325X)	published	[495]
IndiaAI GPU headline	"as low as" INR 65/hr	claimed	[496]
IndiaAI GPU average	INR 115-150/hr, about 42% below market	reported (secondary)	[460]
Commercial GPU cloud	INR 150-200/hr	claimed	[498]

- **Gap:** no credible public price points for agency or SI AI work (chatbot builds, day rates, agent retainers) were found.
- IT majors bundle AI platforms (Topaz, agentic platforms) into large managed-service deals. They are shifting to "Human + AI" team pricing [452].
- GCCs build in-house for their parents.
- Startups get subsidised compute through IndiaAI.
- Consumer AI spreads through telco bundles (Jio-Gemini) and low-price tiers (ChatGPT Go).

Exhibit 2.38: India: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
ChatGPT Go consumer plan	INR 399 per month (made free for 12 months for Indian users from late 2025)	–	[published]
IndiaAI subsidised GPU compute (round 2 lowest bids)	INR 29/hr (NVIDIA L4), INR 46.80/hr (Intel Gaudi 2), INR 85.50/hr (AMD MI325X)	–	[published]
IndiaAI GPU compute (headline)	as low as INR 65 per GPU-hour	–	Claimed
Commercial GPU cloud (market comparison)	INR 150-200 per GPU-hour	–	Claimed

India · Leading industries and use cases

- **IT services.** The Indian technology services industry already earns an estimated USD 10-12bn from AI services [451].
- TCS-OpenAI (February 2026) and TCS-Anthropic (June 2026) partnerships [502][515].
- Infosys-Anthropic Topaz integration [502].
- **BFSI.** The most AI-mature sector in BCG's India benchmark. The RBI survey shows 20.8% of surveyed regulated entities (127 of 612) were using or developing AI systems [459].
- Razorpay, NPCI and OpenAI ran an "Agentic Payments on ChatGPT" pilot with conversational UPI checkout, with Axis Bank and Airtel Payments Bank (October 2025) [516].
- **Payments and commerce.** UPI handled 20bn transactions worth INR 25 trillion in August 2025 [517]. Summit launches included [502]:
- Razorpay agentic UPI chat purchases with NPCI.
- Cashfree "Here" checkout inside AI apps.
- Pine Labs-OpenAI autonomous commerce.
- PhonePe natural-language search on Microsoft Foundry.
- **Government and languages.**
- In March 2025 UIDAI announced a collaboration with Sarvam AI to bring AI voice interactions to Aadhaar-related services [518].
- BHASHINI and CRIS signed an MoU to enable railway services in 22 Indian languages (June 2025) [519].
- NIC announced AWS Outposts under MeghRaj 2.0 (February 2026) [520].
- **Data centres and energy.** Most of the USD 250bn+ in summit infrastructure pledges goes here [490].

Exhibit 2.39: India: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Razorpay, NPCI, OpenAI [521]	Payments	Pilot of 'Agentic Payments on ChatGPT' with conversational checkout over UPI	Pilot with Axis Bank and Airtel Payments Bank	Reported
UIDAI and Sarvam AI [500]	Government ID	AI voice interactions integrated into Aadhaar services	Partnership announced	Reported
National Informatics Centre (MeitY) with AWS and Yotta [520]	Government cloud	AWS Outposts inside NIC data centres under MeghRaj 2.0 so sensitive workloads stay on-premise	Deployment announced	Reported
Tata Consultancy Services [515]	IT services	Anthropic partnership to train 50,000 employees on Claude and build solutions for regulated industries	Partnership announced	Reported
Infosys [502]	IT services	Claude models integrated into Infosys Topaz; Anthropic CoE for regulated sectors	Collaboration announced at AI Impact Summit	Claimed
PhonePe [502]	Payments	AI-powered natural-language search built on Microsoft Foundry	Announced	Claimed

India · Marketing, search, advertising and channels

AI assistants and search.

- ChatGPT claims 100m weekly users in India (source could not be re-opened on 3 Nov 2026). Google gives students a free year of AI Pro, and India leads the world in Gemini use for learning [512]. Jio subscribers get Gemini AI Pro via the Jio-Google deal [460].
- Google rolled out AI Overviews in India in August 2024 with local-language support [522]. BrightEdge reports AI Overviews on approximately 48% of its tracked Google queries in February 2026 (geographic scope unspecified) [523] [524].

Marketing adoption. 55% of Indian firms have at-scale AI in marketing and sales [457], and 33% rank marketing as a top GenAI priority [456]. EY sees a 41% productivity lift possible in sales and marketing [525].

Rules marketers must follow. Label synthetic audio and video (since 20 February 2026). Follow ASCI's final AI-ad labelling guidelines (issued 29 September 2026, in effect from 29 December 2026). Route calls and SMS through 140/1600 series and DLT templates, AI voice agents included. Prepare for DPDP consent duties computed to commence on 13 May 2027, pending official confirmation. Lawyers advise adding AI warranties and indemnities to agency and influencer contracts [470].

- 22 scheduled languages drive the sovereign-model agenda. BHASHINI offers 300+ pre-trained language models via APIs [526]. As reported by NewKerala in October 2026, it is integrated across 2,353 public platforms, with 36 Indian languages in text and 23 in voice [527].
- Sarvam notes Hindi text can use 3-4x more tokens than English, so Indic tokenisers cut inference cost (via [460]).

India · Opportunities

- **Synthetic-content compliance.** Labelling, watermarking and provenance tools for platforms, brands and agencies. The rules are live, and ASCI's guidelines take effect three months after publication, on 29 December 2026 [468] [485] [528].
- **DPDP readiness.** Consent flows, notices, breach playbooks and AI training-data governance before the computed 13 May 2027 commencement, pending official confirmation. Big platforms, banks and insurers may need to be ready earlier if the SDF proposal is notified [474].
- **Pilot-to-production services.** More than 95% of firms still spend under 20% of IT budget on AI [456], and only about 25% of tech-services firms are in production [451].
- **BFSI AI governance.** Board policies, AI inventories, incident logs and model risk tooling for RBI FREE-AI and SEBI's coming kill-switch rules [477] [529].
- **Agentic commerce on UPI.** Conversational checkout for D2C and marketplaces [530] [502].
- **Indic voice and document AI.** Built on open Indian models (Sarvam 30B/105B, Param2) and cheap subsidised compute [500] [495].
- **GCC AI builds.** 1,200+ GCCs already run embedded AI/ML work (via [460]).
- **AI search visibility.** Content and AEO services as assistants absorb discovery [512] [531].

India · Barriers and risks

- **Execution gap in public funding.** Under INR 400 crore released in two years against a INR 10,372 crore budget (secondary) [491].
- **Talent and budget.** 59% report an AI talent shortage, and more than 95% keep AI under 20% of IT budget [456].
- **Compliance drag.** 39% cite regulatory hurdles [457]. 3-hour takedowns raise platform costs [468].
- **Jobs politics.** FY26 tech headcount growth was projected at only 2.3% against 6.1% revenue growth [452], and TCS announced plans in July 2025 to cut about 12,000 roles globally [515] [532].
- **Trust.** India saw the steepest rise in AI nervousness (+14 points) [461].
- **Infrastructure siting.** Land and environmental disputes around the Vizag hub [508].
- **Diffusion ceiling.** Only 18.5% of working-age people use AI, and 440m+ are still offline [16] [462].

India · Outlook 2026–27

- **Nov 2026:** DPDP consent-manager registration opens. Watch whether MeitY notifies the 12-month SDF deadline [473].

- **27 Nov 2026:** comments close on TRAI's draft AI guidelines for telecoms, as reported by Digit [489].
- **H2 2026:** watch for SEBI AI/ML guidelines (chairman said 'shortly' in August 2026) [529]; ASCI's AI-ad labelling guidelines take effect on 29 December 2026 [528].
- **Dec 2026:** IndiaAI GPU additions. A 100,000-GPU year-end goal appears only in secondary reports; ThePrint reported on 8 October that the first tender covered 5,000 GPUs and contracts for 3,000 GPUs had been issued the previous week (reported) [491] [492].
- **Apr 2027–Apr 2028:** watch for RBI directions and circulars likely to operationalise specific FREE-AI recommendations [477].
- **Planned capacity:** Google Vizag, Reliance Jamnagar (120+ MW expected online in H2 2026), Adani and TCS HyperVault; project timelines vary [507] [460] [515] [533].
- **13 May 2027:** computed commencement of main DPDP obligations, pending official confirmation [473].
- **2027:** Geneva summit. India will push its Delhi declaration and Global South framing [493].
- **Expect** Microsoft's India usage share to pass the global average in 2026-27 if it keeps adding about 1 point per quarter. This is a trend reading, not a forecast from the source [16] [119].

Notes and sources

1. Business Standard, "AI services now $10-12 bn for India IT, set for rapid growth: Nasscom", 2026-06-26 link [451]
2. YourStory, "India tech industry revenue to touch $315B in FY26: Nasscom", 2026-02-24 link [452]
3. IndiaAI, "Nasscom-BCG report says India's AI market is expected to touch $17 billion by 2027", 2024 link [453]
4. IBEF, "AI spending in India may triple to US$5 billion by 2027" (IDC-Intel), 2024 link [454]
5. IndiaAI, "IDC forecasts AI spending in India expected to reach $6 billion by 2027", 2024-06-12 link [455]
6. EY India, EY-CII "The AIdea of India: Outlook 2026", 2025-11-16 link [456]
7. Deloitte India, "Indian enterprises lead global peers in at-scale AI adoption across most functions", 2026-03-24 link [457]
8. BCG, "AI Radar 2026: As AI Investments Surge, CEOs Take the Lead", 2026-01-15 link [458]
9. Microsoft, "Global AI Diffusion Q2 2026 Trends and Insights", 2026-09 link [16]
10. Microsoft, "Global AI Adoption in 2025: A Widening Digital Divide" (H2 2025), 2026-01 link [17]
11. Microsoft, "Global AI Diffusion Q1 2026 Trends and Insights", 2026-05 link [119]
12. TechRepublic, "India Hits 100M Weekly ChatGPT Users", 2026-02-16 link [512]
13. Digital in Asia, "India AI Market 2026: 100M ChatGPT Users, $200B in Bets", 2026-09-03 (secondary compilation) link [460]
14. PIB, "India AI Impact Summit 2026: Landmark Global Declaration and Major AI Investment Commitments", 2026-03-02 link [490]
15. PIB, "India AI Impact Summit 2026 Concludes at Bharat Mandapam", 2026-02-20 link [503]
16. YourStory, "India AI Impact Summit: major announcements at a glance", 2026-02-23 link [502]
17. techUK, "Key Outcomes from the 2026 AI Impact Summit", 2026-02-24 link [493]
18. Adda247, "India AI Impact Summit 2026 Outcomes", 2026-03 link [504]
19. Wikipedia, "India AI Impact Summit 2026", accessed 2026-10-01 link [510]
20. Office of the Principal Scientific Adviser, "India's Common Compute Capacity Crosses 34,000 GPUs", 2025-05-30 link [495]

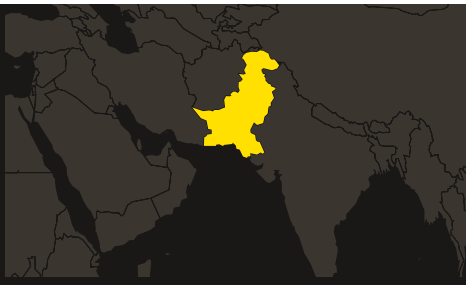
21. The Tribune, "India to deploy 38,000 GPUs, set up 600 data labs: MeitY", 2025-09-09 link [496]
22. Kapyn, "The IndiaAI Mission, explained", 2026 link [497]
23. IFB Trend, "IndiaAI Mission Crosses Rs 10,000 Crore: 100K GPUs by 2026", 2026-06-22 link [491]
24. TechPillow, "IndiaAI Mission 38,000 GPUs in 2026", 2026-06-22 link [498]
25. Wikipedia, "Sarvam AI", accessed 2026-10-01 link [500]
26. Wikipedia, "Artificial intelligence in India", accessed 2026-10-01 link [509]
27. MeitY/PIB, "India AI Governance Guidelines", 2025-11-05 link [466]
28. BestMediaInfo, "MeitY's new AI Governance guidelines set seven sutras and a six-pillar framework", 2025-11-06 link [467]
29. PIB, "DPDP Rules, 2025 Notified", 2025-11-17 link [471]
30. Press Information Bureau, Government of India, "Digital Personal Data Protection Act, 2023", 2025-11-17 link [472]
31. dpdprules.org, "Is the DPDP Act in Force? Status, Dates and Deadlines", verified 2026-09-23 link [473]
32. Mondaq (S.S. Rana), "MeitY Plans To Cut Short DPDP Compliance Timeline", 2026-04-15 link [474]
33. CADP, "MeitY Plans 12-Month DPDP Compliance Window for SDFs", 2026-02-28 link [475]
34. Hogan Lovells, "India introduces mandatory labelling for AI and 3-hour takedown for illegal content", 2026-02 link [468]
35. K&S Partners, "India's 2026 Rules on Synthetic Media and Deepfakes", 2026 link [469]
36. Khurana & Khurana, "India's AI Content Rules 2026: Brand Compliance Guide", 2026-09-24 link [470]
37. MediaNews4U, "ASCI releases draft guidelines for responsible labelling of AI-generated advertising content", 2026-05-12 link [487]
38. Mondaq, "AI In Advertising: ASCI's New Draft Disclosure Guidelines", 2026 link [534]
39. HumAIne Neeti, "RBI FREE-AI Framework: 7 Sutras, 6 Pillars, 26 Recommendations", 2025 link [477]
40. Khaitan & Co, "Ergo: FREE-AI Framework", 2025-08-28 link [478]
41. Lexplosion, "SEBI issues guidelines on AI usage", 2025 link [494]
42. Independent Directors Databank, SEBI consultation paper on responsible AI/ML, 2025-07 link [535]
43. India's News (ANI), "SEBI to soon issue AI/ML guidelines... Chairman Pandey", 2026-08-19 link [529]
44. Mondaq, "TCCCPR (Second Amendment) Regulations, 2025", 2025 link [480]
45. Securiti, "India Strengthens Spam Rules: Key Takeaways from TRAI's Latest Amendment", 2025 link [481]
46. ORF, "More Than Spam: What TRAI's Latest Proposal Means", 2026-08-06 link [482]
47. FreJun, "Auto-Dialers and Robocalls on the 140 Series: TRAI Rules 2026", 2026 link [483]
48. Bharti Airtel, "Airtel partners with Google to establish India's first mega AI hub", 2025-10-14 link [505]
49. Google India Blog, "Google AI Hub: scaling India's AI infrastructure", 2026-04-28 link [507]
50. DatacenterDynamics, "Google confirms $15bn data center project in Andhra Pradesh", 2025-10-14 link [506]
51. The Next Web, "Google's India AI hub cleared for 2.51GW, not 1GW", 2026-09-26 link [508]
52. Wikipedia, "Tata Consultancy Services" (cites Reuters 2025-10-10, Mint, Reuters 2026-06-11), accessed 2026-10-01 link [515]
53. Wikipedia, "Unified Payments Interface", accessed 2026-10-01 link [530]
54. Wikipedia, "ChatGPT" (cites Times of India on ChatGPT Go), accessed 2026-10-01 link [42]
55. Yotta Data Services, "Amazon Web Services", 2026-02-17 link [511]
56. Wikipedia, "Google Search", accessed 2026-10-01 link [522]
57. Global Center on AI Governance, "Regulation of artificial intelligence: India, GIRAI Global Index 2026", 2026-10-26 (dataset build date) link [465]
58. DataReportal, "Digital 2026: internet users pass the 6 billion mark", 2025-10 link [462]

59. DataReportal, "Digital 2026 Global Overview Report", 2025-11-11 link [395]
60. Rajesh Magar, "India's Digital Landscape 2026" (summary of DataReportal Digital 2026 India), 2026-02-13 link [463]
61. Business Standard, "India's pvt sector investments in AI higher than Japan, France, Germany", 2025-10-21 link [464]
62. Statista, "India: AI investment 2025", 2026-04 link [536]
63. The Median, "20 Takeaways from Stanford's 2026 AI Index Report", 2026-04 link [461]
64. TelecomTalk, "Generative AI to Transform 38 Million Jobs by 2030: EY India Report", 2025-01-14 link [525]
65. ProAISearch, "ChatGPT Users India: 100M Weekly Active (2026 Data)", 2026 (vendor) link [523]
66. TRAI, press release No. 11/2025 on the TCCCPR (Second Amendment) Regulations, 2025-02-12 link [484]
67. TRAI, draft guidelines on the responsible use of AI in telecom services (consultation paper), 2026-10-30 link [99]
68. News On AIR, report on TRAI's draft guidelines on responsible use of AI in tele services, 2026-10 link [488]
69. Digit, report on TRAI's draft guidelines for responsible AI use in the telecom sector, 2026-10 link [489]
70. ThePrint, report on India's AI regulation push and IndiaAI GPU tenders, 2026-10-08 link [492]
71. NewKerala, report on Bhashini's real-time multilingual translation platform, 2026-10-13 link [527]
72. Inc42, report on MeitY's proposed framework to unlock data for training AI models, 2026-10-31 link [476]
73. ASCI, Guidelines for Responsible Labelling of Synthetically Generated Content in Advertising, 2026-09 link [485]
74. MediaNews4U, "ASCI issues guidelines for labelling AI-generated content in advertising", 2026-09-29 link [486]
75. Stanford HAI, AI Index 2026, Chapter 4: Economy, 2026-04 link [61]
76. Reserve Bank of India, FREE-AI committee report (Framework for Responsible and Ethical Enablement of AI), 2025-08-13 link [459]
77. Sarvam AI, "Open-Sourcing Sarvam 30B and 105B", 2026-03-06 link [501]
78. Anthropic, announcement of its partnership with TCS, 2026-06-12 link [514]
79. Outlook Business, "OpenAI Offers Free One-Year ChatGPT Go Access in India Starting November 4", 2025-10-28 link [513]
80. Securities and Exchange Board of India, "Intermediaries (Amendment) Regulations, 2025", 2025-02-06 link [479]
81. Ministry of Electronics & IT, PIB, "BHASHINI and CRIS Sign MoU to Build Next-Gen Multilingual AI Solutions for Indian Railways", 2025-06-09 link [519]
82. ASCI, "ASCI releases guidelines for responsible labelling of synthetically generated content in advertising", 2026-09-29 link [528]
83. BrightEdge, "AI Overviews at the One-Year Mark: Presence, Size, and What They're Citing", 2026-02-12 link [524]
84. Ministry of Electronics and Information Technology, "Bhashini Chatbot, Rajya Sabha question 240", 2023-07-21 link [526]
85. Moneycontrol, "TCS to cut 2% of workforce, affecting 12,000 employees amid skill gap and tech shift", 2025-07-27 link [532]
86. Adani Group, "Adani Enterprises, Jabil sign MoU for 50:50 data centre hardware joint venture", 2026-10-13 link [533]
87. Ministry of Electronics & IT, PIB, "UIDAI partners with indigenous GenAI Company Sarvam AI to enhance user experience of Aadhaar services", 2025-03-18 link [518]
88. Ministry of Electronics and Information Technology, "India AI Mission, Lok Sabha question 1589", 2024-12-04 link [499]
89. Razorpay Newsroom, "Razorpay, NPCI, and OpenAI Come Together to Launch Agentic Payments, Ushering in AI-Driven Commerce at National Scale", 2025-10-30 (announcement 2025-10-09) link [516]
90. Press Information Bureau, Government of India, "UPI: India's Digital Revolution Goes Global", 2025-09-17 link [517]
91. Amazon Web Services, Amazon Press Center, "AWS and Yotta Data Services collaborate to deploy hybrid cloud infrastructure for National Informatics Centre's Meghraj 2.0", 2026-02-17 link [520]
92. Google Search Central, "Google's Guide to Optimizing for Generative AI Features on Google Search", 2026-07-10 link [531]

India & South Asia · 21 of 46

Pakistan

Country profile PAK



Pakistan is an early-stage AI market: Microsoft estimates 11.9% of working-age people used generative AI in Q2 2026, up from 9.7% in H1 2025 but well below the 18.8% global average. Connectivity is the binding constraint: DataReportal counts almost 140 million people still offline.

11.9%
of working-age people use AI · rank 91 of 147
Microsoft AI Diffusion, Q2 2026

116m
internet users
DataReportal Digital 2025, 2025

Key dates, 2026–27

2026–27	No dated milestones confirmed yet.

How AI is regulated

National AI policy (2025); no AI law

What to watch

- Watch implementation of the 2,000 MW AI/crypto power allocation under IMF conditions
- Generative AI use among working-age people likely to keep rising from 11.9% but remain below the global average, given Q2 2026 growth of 0.5 points per quarter

Pakistan · Market and adoption

- **Generative AI use among the working-age population (Microsoft):** 9.7% in H1 2025, 10.3% in H2 2025, 11.4% in Q1 2026 and 11.9% in Q2 2026 [17] [16]. Growth slowed to 0.5 points in Q2. Pakistan sits above Bangladesh and Sri Lanka but about 6.6 points behind India.
- **Internet:** DataReportal's 2025 count was 116 million users (via World Population Review) [537]. PTA counted about 167 million broadband subscriptions in September 2026 (163m mobile, 4.2m fixed). Subscriptions are not unique users (via Wikipedia) [538].
- **Ads:** total ad spend is just USD 2.88 per person, or 0.19% of GDP, among the lowest DataReportal tracks [395].

Pakistan · Policy and regulation

- **National AI Policy 2025, no AI law.** The federal cabinet approved the National AI Policy 2025 on 30 July 2025. It targets 1 million trained AI professionals by 2030, an AI Innovation Fund and AI Venture Fund, and an AI council [539].
- **PECA (Amendment) 2025:** passed by the Senate on 28 January 2025 and signed into law on 29 January 2025. It adds penalties for spreading "false information" and wider powers to block content. Amnesty called these powers "sweeping" [540]. For brands, this raises the stakes on AI-generated media and influencer content.

Exhibit 2.40: Pakistan: the rules that matter for AI

Source: Research notes and official texts for Pakistan; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Prevention of Electronic Crimes (Amendment) Act 2025 [541]	[passed]	2025-01-28 (passed)	Adds penalties for spreading 'false information' and wider content removal/blocking powers; raises platform and content risk for AI-generated media and influencer marketing

Pakistan · Ecosystem and big-tech moves

- **Compute ambitions:** on 25 May 2025, the government allocated 2,000 MW of surplus power for bitcoin mining and AI data centres. The IMF objected to subsidised tariffs, fiscal risk and grid strain. Talks were still going in July 2025 (Wikipedia, citing Dawn and Reuters) [542].
- **Big tech:** Microsoft reportedly cut its small Pakistan team of 5 people in 2025 amid global layoffs (via Wikipedia, citing Dawn) [543]. No new hyperscaler investments were verified.
- **Institutions:** Ignite, the National Technology Fund set up in 2007, runs National Incubation Centres and DigiSkills. NITB handles e-government [544].
- **Supply base:** 17,000+ active IT/ITeS companies are registered with the Pakistan Software Export Board [545].

Pakistan · The AI services market and pricing

- There is a large export-oriented IT/ITeS and freelance base [546], but no verified data on local AI services demand or PKR pricing.
- Delivery is likely project-based export work.

Pakistan · Leading industries and use cases

- **IT services and freelancing:** this is the natural lead sector, given the PSEB-registered base [547]. No named, dated AI use cases were verified.

Pakistan · Marketing, search, advertising and channels

- The ad market is tiny: USD 2.88 per capita [395]. That limits AI ad-tech spend.

Pakistan · Opportunities

- **Low base, steady growth.** AI use is up 2.2 points in about a year [16][17]. Early brands in AI education and tools can lead.
- **AI-enabled export services** on top of the 17,000+ firm IT base [545].
- **Data centres** linked to the 2,000 MW allocation, if IMF concerns are resolved [542].

Pakistan · Barriers and risks

- About 140 million people are offline [462].
- Internet shutdowns cost an estimated USD 1 million+ per hour (press estimates cited by Wikipedia) [543].
- Tech funding fell 88% and 55+ startups shut or pivoted (2022-2024, via Wikipedia) [543].
- Content controls under PECA 2025 [540].
- IMF limits on subsidised power [542].

Pakistan · Outlook 2026–27

- Watch whether the 2,000 MW AI/crypto power plan goes ahead under IMF conditions [542].
- On current trend (+0.5 points a quarter), generative AI use among working-age people should reach the low teens in 2027. It will stay well under the global average. This is a trend reading, not a sourced forecast [16].

Notes and sources

1. Microsoft, "Global AI Diffusion Q2 2026 Trends and Insights", 2026-09 link [16]
2. Microsoft, "Global AI Adoption in 2025: A Widening Digital Divide", 2026-01 link [17]
3. DataReportal, "Digital 2026 Global Overview Report", 2025-11-11 link [395]
4. DataReportal, "Digital 2026: internet users pass the 6 billion mark", 2025-10 link [462]
5. World Population Review, "Internet Users by Country 2026" (DataReportal 2025 counts), 2026 link [537]
6. International Telecommunication Union (ITU), "Internet in Pakistan", Mar 2013 link [538]
7. Wikipedia, "Pakistan Crypto Council" (cites Dawn and Reuters, 2025-05-25), accessed 2026-10-01 link [542]
8. Amnesty International, "Prevention of Electronic Crimes Act, 2016", 24 Jan 2025 link [540]
9. Wikipedia, "Information technology in Pakistan" (cites Profit/Pakistan Today 2024-12-04, Dawn), accessed 2026-10-01 link [543]
10. Wikipedia, "Pakistan Software Export Board", accessed 2026-10-01 link [545]
11. Wikipedia, "Ministry of Information Technology and Telecommunication (Pakistan)", accessed 2026-10-01.) link [544]
12. Dawn, "Federal cabinet approves National AI Policy 2025", 2025-07-30 link [539]
13. Ministry of Finance, Government of Pakistan, "Pakistan Economic Survey 2024-25: Information Technology", Jun 2025 link [546]
14. Pakistan Software Export Board (PSEB), "PSEB Magazine", Jan–Apr 2026 link [547]

India & South Asia · 22 of 46

Bangladesh

Country profile BGD



Bangladesh is among the least AI-diffused markets tracked by Microsoft: 8.0% of working-age people used generative AI in Q2 2026, against an 18.8% global average. The country is coming out of a political transition (the July 2024 uprising and a nationwide internet shutdown) and an interim government that rewrote digital laws, including replacing the Cyber Security Act 2023 with a 2025 ordinance.

8.0%
of working-age people use AI · rank 128 of 147
Microsoft AI Diffusion, Q2 2026

77.7m
internet users
DataReportal Digital 2025, 2025

Key dates, 2026–27

2026-06-30	Parliament passes the Cyber Security (Amendment) Bill 2026
about 2027-05	Personal Data Protection Ordinance 2025: provisions due 18 months after gazette (commencement to check)

How AI is regulated

Guidance only, law in drafting

What to watch

- Watch whether Parliament enacts the Personal Data Protection Ordinance 2025 as an Act; the cyber ordinance is already the Cyber Security Act 2026; Parliament passed the Cyber Security (amendment) Bill, 2026 on 30 June 2026
- Microsoft's estimate of AI use among working-age people rose only 0.2 points in Q2 2026 to 8.0%, a usage level shared with eight East African economies; expect slow diffusion without connectivity and language gains

Bangladesh · Market and adoption

- **People (Microsoft):** 6.5% in H1 2025, 7.1% in H2 2025, 7.8% in Q1 2026 and 8.0% in Q2 2026 [17] [16]. Growth slowed to just 0.2 points in Q2, the weakest of the four markets. Microsoft gives the same 8.0% to eight East African economies, so the flat reading may reflect a shared regional estimate [16].

- **Internet:** DataReportal's 2025 count was 77.7 million users [537]. BTRC counted 135.94 million internet subscriptions in June 2026, up from 133.61 million in June 2025 [548]. Subscriptions are not unique users (via Wikipedia) [549].
- **Mobile money:** bKash alone has more than 83 million registered customers (2026) [550].

Bangladesh · Policy and regulation

- **Cyber Security Act 2026.** The elected Parliament enacted the interim cyber ordinance as law in 2026 and passed the Cyber Security (amendment) Bill, 2026 on 30 June 2026, dropping Section 20 [551].
- **Personal Data Protection Ordinance 2025** (No. 61 of 2025, in force 6 Nov 2025, amended Feb 2026) is the main data law for AI. Whether Parliament has since enacted it as an Act was not confirmed [552].
- **Cyber Security Ordinance 2025:** the interim government repealed the Cyber Security Act 2023 and replaced it with this ordinance. Wikipedia gives the repeal date as 22 May 2025 [553]. ICT adviser Faiz Ahmad Taiyeb worked from January 2025 to modify the Cyber Security Ordinance and to remove nine "vexatious" clauses that the previous government used to harass and arrest citizens [554] [555].
- **Internet shutdowns:** in April 2025, the ICT special assistant said the Telecommunications Act would be amended so that no government could legally shut the internet [556].

Exhibit 2.41: Bangladesh: the rules that matter for AI

Source: Research notes and official texts for Bangladesh; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Cyber Security Act 2026 (from the Cyber Security Ordinance 2025, which replaced the Cyber Security Act 2023) [551]	[in force]	Ordinance 2025-05-22 (repeal of 2023 Act per Wikipedia); enacted 2026; amendment bill passed 2026-06-30	
Personal Data Protection Ordinance 2025 (No. 61 of 2025) [552]	[in force]	2025-11-06 (amended Feb 2026); some provisions about 18 months after gazette	Main data law for AI training and marketing data.

Bangladesh · Ecosystem and big-tech moves

- **Starlink** began operating in Bangladesh in 2025. The ICT adviser said data-sovereignty safeguards would apply [557] [554].
- **a2i (Aspire to Innovate),** under the ICT and Cabinet Divisions, facilitates public service innovation and the digital transformation of the public sector [558]. No public AI compute or national model programme was verified.

Bangladesh · The AI services market and pricing

- No verified data on AI services demand, BDT pricing or delivery models. All pricing fields are null.

Bangladesh · Leading industries and use cases

- **Ready-made garments.** Apparel made up 83.49% of manufactured-goods export earnings in FY2018 and employs about 4.4 million people, mostly women [559]. This is the largest pool for AI in planning, quality inspection and buyer-compliance traceability. The figure is dated and no named AI deployments were verified.
- **Mobile financial services.** bKash's 83m+ customers give fintech the data for credit and fraud AI [550]. No named AI deployments were verified.

Bangladesh · Marketing, search, advertising and channels

- This is a Bangla-first, mobile-first market.
- Mobile money is a core channel [560].

Bangladesh · Opportunities

- **Garment-sector AI:** demand forecasting, defect detection and compliance traceability for export buyers [559].
- **Fintech AI:** credit and fraud models on top of mobile-money scale [560].
- **Bangla-language tools and AI literacy,** starting from a low 8.0% base [16].

Bangladesh · Barriers and risks

- The slowest measured AI-use growth of the four markets: +0.2 points in Q2 2026, to a Microsoft-estimated usage level of 8.0% shared with eight East African economies, which grew by 0.4 points [16].
- Policy and legal flux after the 2024 transition [561][562]. The July 2024 shutdown hurt exporters and freelancers [563].
- Internet subscriptions recovered in 2026: up about 2.3 million year on year to 135.94 million in June 2026 (BTRC) [548].
- Very thin public data on AI adoption and spend.

Bangladesh · Outlook 2026–27

- Watch whether Parliament enacts the Personal Data Protection Ordinance 2025 as an Act; the cyber ordinance is already the Cyber Security Act 2026 [551][552].
- Expect slow gains in AI use unless connectivity and Bangla-language support improve. This is a trend reading [16].

Notes and sources

1. Microsoft, "Global AI Diffusion Q2 2026 Trends and Insights", 2026-09 link [16]
2. Microsoft, "Global AI Adoption in 2025: A Widening Digital Divide", 2026-01 link [17]
3. World Population Review, "Internet Users by Country 2026" (DataReportal 2025 counts), 2026 link [537]

4. Wikipedia, "Internet in Bangladesh" (cites BTRC, The Daily Star 2024-08-13, The Business Standard 2025-05-21), accessed 2026-10-01 link [557]
5. Wikipedia, "Faiz Ahmad Taiyeb" (cites Prothom Alo, TBS, The Daily Star), accessed 2026-10-01 link [554]
6. Wikipedia, "Cyber Security Act, 2023", accessed 2026-10-01 link [553]
7. Wikipedia, "Economy of Bangladesh", accessed 2026-10-01 link [559]
8. Wikipedia, "bKash", accessed 2026-10-01 link [560]
9. Wikipedia, "Aspire to Innovate", accessed 2026-10-01 link [564]
10. The Financial Express, "Bangladesh amends cybersecurity law, drops online gambling clause", 2026-06-30 link [551]
11. Digital Policy Alert, Personal Data Protection Ordinance 2025 (Ordinance No. 61 of 2025) link [552]
12. The Financial Express, "Internet subscriber growth outpaces mobile connections in H1", 2026-08-03 link [548]
13. bKash, "History of bKash" (About page), accessed 2026-11 link [550]
14. The Business Standard, report quoting ICT special assistant Faiz Ahmad Taiyeb on internet shutdowns, 2025-04-07 link [556]
15. UNESCO, "Bangladesh: Artificial Intelligence Readiness Assessment Report", 2025 link [558]
16. The Business Standard, "Draft Cyber Security Ordinance drops warrantless search clause: Secretary", 22 January 2025 link [555]
17. International Telecommunication Union (ITU), "10th World Telecommunication/ICT Indicators Meeting: Summary report", 31 October 2012 link [549]
18. bdnews24.com, "Bangladesh tech industry leaders demand alternatives to internet blackouts", 30 July 2024 link [563]
19. United Nations OHCHR, "Special Rapporteur on freedom of opinion and expression: OL BGD 2/2025", 17 March 2025 link [561]
20. Ministry of Law, Justice and Parliamentary Affairs, Government of Bangladesh, "Cyber Protection Ordinance 2025", 21 May 2025 link [562]

Sri Lanka

Country profile LKA



Sri Lanka has the lowest measured AI diffusion of the four South Asian markets here: 7.6% of working-age people used generative AI in Q2 2026 (global 18.8%). The economy is stabilising under an IMF programme that began in 2022, and ICT/BPM export revenue was estimated at about USD 1.6bn in 2025 (Sri Lanka Export Development Board) [566].

7.6%
of working-age people use AI · rank 139 of 147
Microsoft AI Diffusion, Q2 2026

12.4m
internet users
DataReportal Digital 2025, 2025

Key dates, 2026–27

2027-01-01	PDPA core obligations under Parts I and III take effect (Gazette 2498/16 of 22 Jul 2026) [565]

How AI is regulated

Guidance only, law in drafting

What to watch

- PDPA core obligations under Parts I and III take effect on 1 Jan 2027 (Gazette 2498/16 of 22 Jul 2026) [565]
- AI use grew 0.3 points in Q2 2026; expect gradual gains

Sri Lanka · Market and adoption

- **AI diffusion (Microsoft):** 6.2% in H1 2025, 6.6% in H2 2025, 7.3% in Q1 2026 and 7.6% in Q2 2026 [17] [16].
- **Internet:** DataReportal's 2025 count was 12.4 million users (via World Population Review) [537].
- **IT exports:** estimated ICT/BPM exports of USD 1,644.83 million in 2025 (Sri Lanka Export Development Board) [566].

Sri Lanka · Policy and regulation

- See leads below.
- **Personal Data Protection Act No. 9 of 2022** [567]:
- Passed on 9 March 2022.

- The Data Protection Authority provisions started on 17 July 2023 (Gazette 2341/59). Staff, fund and interpretation parts started on 1 December 2023 (Gazette 2366/08).
- The core obligations (Parts I, II, III and VII) were due on 18 March 2025. That date was repealed by Gazette 2427/34 on 14 March 2025.
- The Personal Data Protection (Amendment) Act No. 22 of 2025 was enacted on 21 October 2025 and certified on 30 October 2025.
- **Online Safety Act No. 9 of 2024** [568]: in force since 1 February 2024. A five-member commission can declare statements unlawful and regulate platforms and inauthentic accounts. This matters for AI-generated content and bot-driven marketing.

Exhibit 2.42: Sri Lanka: the rules that matter for AI

Source: Research notes and official texts for Sri Lanka; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Personal Data Protection Act No. 9 of 2022 [569]	[passed]	DPA provisions 2023-07-17 and 2023-12-01; main parts (I, II, III, VII) set for 2025-03-18 were repealed by Gazette 2427/34 on 2025-03-14	
Personal Data Protection (Amendment) Act No. 22 of 2025 [570]	[passed]	Enacted 2025-10-21, certified 2025-10-30	
Online Safety Act No. 9 of 2024 [571]	[in force]	2024-02-01	Five-member Online Safety Commission can declare statements unlawful and regulate platforms; relevant to AI-generated content and inauthentic accounts

Sri Lanka · Ecosystem and big-tech moves

- **Government set-up:** a dedicated Digital Economy Ministry, with Eranga Weeraratne as Deputy Minister of Digital Economy [572]. ICTA runs e-government programmes [573].

Sri Lanka · The AI services market and pricing

- ICT/BPM export revenue was estimated at about USD 1.6bn in 2025 (Sri Lanka Export Development Board) [566]. All pricing fields are null.

Sri Lanka · Leading industries and use cases

- **IT/BPM exports:** the sector Wikipedia describes as competitive and open to global competition [574]. No named AI deployments were verified.

Sri Lanka · Marketing, search, advertising and channels

- Sinhala and Tamil are the key languages.

Sri Lanka · Opportunities

- **AI-augmented IT/BPM exports** from estimated ICT/BPM export revenue of about USD 1.64bn in 2025 [566].
- **Privacy compliance services,** once the PDPA's core duties start [565].
- **AI literacy and local-language tools,** starting from a 7.6% base of working-age people in Q2 2026 [16].

Sri Lanka · Barriers and risks

- The lowest AI use of the four markets [16].
- A delayed and amended data law creates legal uncertainty [575].
- The Online Safety Commission has broad content powers [571].
- Fiscal limits under the IMF programme [574].

Sri Lanka · Outlook 2026–27

- The PDPA's core duties under Parts I and III take effect on 1 Jan 2027 (Gazette 2498/16 of 22 Jul 2026) [565].
- AI use grew 0.3 points in Q2 2026. Expect gradual gains. This is a trend reading [16].

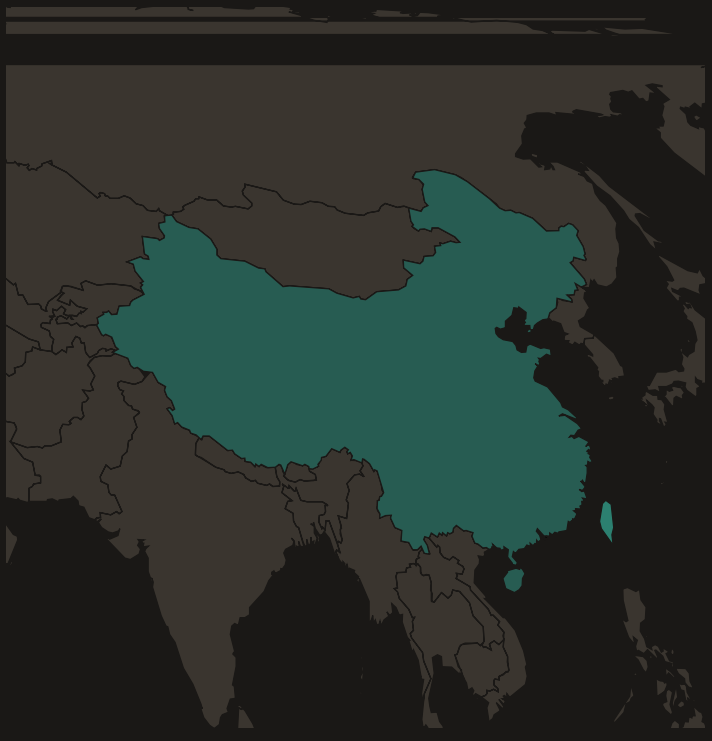
Notes and sources

1. Microsoft, "Global AI Diffusion Q2 2026 Trends and Insights", 2026-09 link [16]
2. Microsoft, "Global AI Adoption in 2025: A Widening Digital Divide", 2026-01 link [17]
3. World Population Review, "Internet Users by Country 2026" (DataReportal 2025 counts), 2026 link [537]
4. Wikipedia, "Economy of Sri Lanka", accessed 2026-10-01 link [574]
5. Department of Government Printing, Sri Lanka; hosted by the Data Protection Authority, "Personal Data Protection Act (Sri Lanka)", 25 Mar 2022 (certified 19 Mar 2022) link [567]
6. Parliament of Sri Lanka, "Online Safety Act (Sri Lanka)", 1 Feb 2024 link [568]
7. Wikipedia, "Eranga Weeraratne", accessed 2026-10-01 link [572]
8. Wikipedia, "Information and Communication Technology Agency of Sri Lanka", accessed 2026-10-01 link [573]
9. Data Protection Authority of Sri Lanka, "Data Protection Statement", 20 Aug 2026 link [565]
10. Sri Lanka Export Development Board, "Sri Lanka's Export Performance Exceeded US$ 17.2 Billion in 2025", 26 Jan 2026 link [566]
11. Ministry of Digital Economy, Sri Lanka, "Cabinet approval for amendments to the Personal Data Protection Act", 18 Mar 2025 link [575]
12. Parliament of Sri Lanka, "Online Safety Act No. 9 of 2024", 1 Feb 2024 link [571]

Part 2 · Region 06

Greater China

CNNIC counts more than 700 million generative AI users in China in H1 2026, over half the population. Hong Kong has become a listing venue for Chinese AI firms: Zhipu and MiniMax listed there in January 2026, and Baidu announced a dual-primary listing in August. Taiwan's AI economy centres on chips and servers: TSMC's HPC platform was 66% of Q2 2026 revenue, which grew 36% YoY, and Foxconn posted record Q2 2026 revenue on AI server demand.



AI users, % of working-age people (Q2 2026)

Taiwan	33.8%
China	17.5%
Global average (Microsoft)	18.8%

In this region

China	182
Hong Kong	193
Taiwan	198

Greater China · 24 of 46

China

Deep dive CHN



CNNIC counts more than 700 million generative AI users in China in H1 2026, over half the population. The State Council's 'AI+' plan targets over 70% penetration of intelligent terminals and AI agents by 2027 and over 90% by 2030.

17.5%
of working-age people use AI · rank 67 of 147
Microsoft AI Diffusion, Q2 2026

>30%
of large (above-designated-size) manufacturers use AI
CNNIC, 2026

$12.4bn
private AI investment
Stanford AI Index 2026, 2025

1,200 RMB bn
AI market size, 2025
MIIT, 2025

1,125m
internet users
CNNIC 57th Statistical Report on China's, 2025

Key dates, 2026–27

2026-09-14	CAC bulletin: 1,112 generative AI services filed, 731 apps registered (to 31 Aug 2026)
2026-09-29	CNNIC report: generative AI users exceed 700 mn, penetration over 50%
2026-11	Expected: next bi-monthly CAC filing bulletin covering Sep-Oct 2026 (based on bulletin pattern)
2027	AI+ checkpoint: >70% penetration of new intelligent terminals and AI agents

How AI is regulated

Targeted binding rules

What to watch

- Nov 2026 (expected): next CAC bi-monthly filing bulletin; registrations of apps that call filed models now outpace new model filings.
- H2 2026: enforcement of companion-AI rules (in force 15 Jul 2026) and standards/protocol work under the May 2026 AI-agent opinions.
- 2026-27: pricing shifts from price cuts to capability-based pricing (Volcano Engine stressed capability over price at the Doubao 2.1 launch, June 2026; Zhipu +10%, Apr 2026).

China · Market and adoption

Consumer use. CNNIC reported 515 million generative AI users in June 2025. That was 36.5% of the population and 266 million more than in December 2024 [576]. The count reached 602 million (42.8%) by December 2025, up 141.7% year on year [577]. A September 2026 CNNIC report puts users above 700 million in H1 2026, with penetration above 50% [578][579]. Over 90% of users chose a domestic model first, and 74.6% of users are under 40 [580]. The top uses are Q&A (76.0%), image or video work (47.8%), text work (37.6%) and work summaries, minutes or slides (32.5%) [578]. Internet users stood at 1.125 billion (80.1%) at end-2025 [577].

Microsoft telemetry gives a lower figure. It estimates 15.4% of China's working-age population used AI tools in H1 2025 [17], but warns that its data for China is partial [581]. Use CNNIC as the headline figure and Microsoft only for cross-country ranking.

App usage. QuestMobile's H1 2026 report counts 499 million monthly users of AI-native apps (up 85.4%). It also counts 644 million for AI plug-ins inside other apps (down 7.9%) and 755 million for device-vendor AI applications (up 14.0%) [582]. Doubao (ByteDance) leads with 382 million MAU, up 172.1%. Qwen/Qianwen (Alibaba) follows with 167 million, and DeepSeek has about 130 million [583][582]. DeepSeek lost 20.3% of its users (QuestMobile H1 2026, via CIW) [584]. The average AI-native app user opens these apps 92.7 times and spends 183 minutes in them per month [583].

Work and business. In a 2025 global survey (University of Melbourne/KPMG), over 80% of employees in China said they use AI at work on a semiregular or regular basis. The global figure was 58% (employees using AI at work on a semiregular or regular basis, 2025) [117]. CNNIC says more than 30% of large enterprises have adopted AI in industry [585]. MIIT is reported to say over 30% of manufacturers with turnover above RMB 20 million had adopted AI by end-2025 [586]. McKinsey's survey shows 88% of Greater China respondents' organisations using AI in 2025, up from 75% in 2024 and 48% in 2023. This region includes Hong Kong, Taiwan and Macau [117]. No China-only survey of SME or firm-level generative AI adoption was found.

Market size. MIIT says the core AI industry was expected to exceed RMB 1.2 trillion in 2025 (estimate). That covers chips, compute, software and AI services. IDC forecasts China's AI investment will exceed US$100 billion by 2028, with a 35.2% CAGR. It expects the generative AI share to rise from 18.9% (2024) to 30.6% (2028), and China to take over half of Asia/Pacific AI spending [587]. IDC also expects generative-AI-related network hardware spending in China to grow from RMB 6.5 billion (2023) to RMB 33 billion (2028) [588]. IDC's regional primer shows Asia/Pacific AI spending rising from US$73 billion (2024) to US$370 billion (2029) [589].

Investment and compute. Stanford's AI Index records US$12.4 billion of private AI investment in China in 2025. That is up 32.2% since 2024 and covers 161 newly funded AI firms. The US figure is US$285.9 billion [117]. Stanford notes that this understates China, because government guidance funds put an estimated US$184 billion into AI firms between 2000 and 2023. It also notes a US$138 billion state venture fund announced in March 2025 [117]. CNNIC counts 1,255 AI financing deals worth about RMB 250.14 billion in H1 2026 [578]. Intelligent computing capacity reached 2,185 EFLOPS, up 177% [578]. According to the National Data Administration, daily token use rose from 100 billion at the start of 2024 to 100 trillion by the end of 2025, and to over 140 trillion in March 2026 [590].

China · Policy and regulation

Strategy. The State Council's Opinions on Deepening the "AI+" Action (Guo Fa [2025] No. 11) were signed on 21 August 2025 [591] and made public in late August (gov.cn report dated 27 August 2025) [592]. Targets: over 70% penetration of new intelligent terminals and AI agents by 2027 and over 90% by 2030. By 2035, China is to enter an "intelligent economy and society" stage [592]. There are six action areas: science, industry, consumption, livelihoods, governance and global cooperation. The plan also backs open-source models, compute and data rights [591]. The NDRC's roadmap adds a revised Price Law, pricing rules for online platforms, and action against below-cost dumping and false advertising [593]. Provinces are adding money. For example, Shanghai plans RMB 900 million of subsidies for access to computing clusters, AI models and training data, and up to RMB 500 million over three to five years for local AI innovators [594]. At WAIC on 26 July 2025, Premier Li Qiang presented a 13-point Global AI Governance Action Plan [117].

- The Interim Measures for Generative AI Services took effect on 15 August 2023. They apply to all providers serving users in China, foreign ones included. Earlier rules cover algorithm recommendation (March 2022) and deep synthesis (January 2023) [95].
- **Filing regime.** By 31 August 2026, 1,112 generative AI services had completed CAC filing. Another 731 apps or features that call already-filed models had completed registration [595]. In July to August 2026 there were 124 new filings and 133 new registrations. This was the first two-month period in which registrations outnumbered filings [595][596]. Beijing (225) and Shanghai (158) led the registration count as of April 2026 [597].
- **Labelling.** The Measures for Labelling AI-Generated Synthetic Content were issued on 7 March 2025 by the CAC, MIIT, MPS and NRTA. They took effect on 1 September 2025. They require explicit labels (visible text, audio or watermarks) and implicit labels (metadata). Distribution platforms must check metadata and add warnings, and app stores must check labelling at review. Users must declare AI content, and removing a label is banned [598]. The companion national standard is GB 45438-2025 [599].
- **National standards.** TC260 generative AI security and pre-training data standards took effect on 1 November 2025 [600].

- **Cybersecurity Law amendment.** Passed on 28 October 2025 and in force from 1 January 2026. It adds an AI article and raises maximum fines to RMB 10 million for critical information infrastructure (CII) operators whose violations have exceptionally severe consequences (for example, where CII loses its main functions) [601].
- **Anthropomorphic (companion) AI.** Interim measures were issued on 10 April 2026 by five agencies and took effect on 15 July 2026. Services must show a constant AI notice and send reminders after two hours of use. Users under 14 need guardian consent, and "virtual intimate" services for minors are banned [602]. Using interaction data for training needs opt-in consent [599].
- **AI agents.** Implementation opinions were issued on 8 May 2026 by the CAC, NDRC and MIIT. They name 19 priority scenarios and set three decision tiers: user-only, user-authorised and autonomous. Users keep "final decision-making power" [603] [604]. Sensitive sectors such as healthcare, transport, media and public safety face filing and testing [604].

Pipeline. Deep Lex lists draft ethics security guidelines (consultation closed on 26 April 2026) and platform pricing-algorithm limits effective 10 April 2026. It also lists a comprehensive AI law at draft stage, but no final text or timetable was confirmed in this research [599].

Exhibit 2.43: China: the rules that matter for AI

Source: Research notes and official texts for China; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Interim Measures for the Management of Generative AI Services [95]	[in force]	2023-08-15	Any generative AI service offered to the public in China, including by foreign providers, must meet content, data and transparency duties and complete CAC filing.
Generative AI service filing (备案) and app/feature registration (登记) regime [595]	[in force]	ongoing; bi-monthly CAC bulletins	By 31 Aug 2026, 1,112 services filed and 731 apps/features calling filed models registered. Brands embedding a filed model via API register rather than file.
Measures for Labelling AI-Generated Synthetic Content (CAC, MIIT, MPS, NRTA) + national standard GB 45438-2025 [598]	[in force]	2025-09-01	Explicit (visible) and implicit (metadata) labels on AI text, audio, images, video; platforms must detect and flag; app stores check at review; users must declare AI content; removing labels banned. Directly affects AI ad creative and influencer content.
TC260 national standards on generative AI service security and pre-training data security [599]	[in force]	2025-11-01	Training-data provenance, content-security classification and IP-risk controls become audit points for model builders.

Law or rule	Status	Effective	What it means for business
Cybersecurity Law (2025 amendment) [601]	[in force]	2026-01-01	Adds an AI article (innovation support, risk monitoring, ethics); raises maximum fines to RMB 10 mn for critical infrastructure operators whose violations have exceptionally severe consequences; wider extraterritorial reach.
Interim Measures for Anthropomorphic AI Interaction Services (CAC, NDRC, MIIT, MPS, SAMR) [602]	[in force]	2026-07-15	AI companions, digital characters and emotional chatbots must show a constant AI notice, send reminders after 2 hours, get guardian consent for under-14s, bar 'virtual intimate' services for minors and obtain opt-in consent to train on interaction data.
Implementation Opinions on the Standardised Application and Innovative Development of Intelligent Agents (CAC, NDRC, MIIT) [603]	[in force]	issued 2026-05-08 (policy guidance)	19 priority agent scenarios; developers must define user-only, user-authorised and autonomous decision boundaries; users keep final decision power; sensitive sectors face filing and testing.
Comprehensive AI law [599]	[draft]	no timetable confirmed	Listed as at draft stage by Deep Lex; no official final text confirmed in this research.

China · Ecosystem and big-tech moves

- **DeepSeek.** R1 launched on 20 January 2025, V3.2 on 1 December 2025, and a V4 preview on 24 April 2026. V4-Pro became official on 13 August 2026. Releases since January 2025 mostly use the MIT licence (V4 does), and Huawei and Cambricon adopted V4 [605].
- **Alibaba / Qwen.** Alibaba committed RMB 380 billion over three years to AI and cloud. Qwen has over 600 million downloads and 170,000 derivative models [606]. Qwen3.5 launched in February 2026 [607]. Alibaba Cloud's model list now runs to the qwen3.8 series (page updated 28 October 2026) [608]. Alibaba's Arena Elo rating was 1,449 in March 2026, and DeepSeek's was 1,424 [117].
- **ByteDance / Doubao.** Doubao 2.1 launched on 23 June 2026. Volcano Engine says Doubao processes 180 trillion tokens a day, 10 times the level a year earlier. It says 200 firms each use over 1 trillion tokens a year, and it claims a 49.5% share of China's public-cloud MaaS market (claimed) [609] [610]. In May 2026 ByteDance announced subscription tiers for Doubao [611].
- **Tencent.** Q2 2026 capex was RMB 52.8 billion, up 176%. Tencent says its Hy3 model has ranked in the global top 3 by token use on OpenRouter since 7 July 2026 (claimed). It is testing "Xiaowei", an agent inside Weixin [612].
- **Baidu.** AI-powered business revenue was RMB 40.0 billion in 2025, up 48%. ERNIE Assistant had 202 million MAU in December 2025 [613]. In Q2 2026, AI business revenue was RMB 12.5 billion (up 25%), half of Baidu's general business revenue [614]. Baidu proposed spinning off its Kunlunxin chip unit (1 January 2026) and announced a dual-primary Hong Kong listing (31 August 2026) [615] [616]. Apollo Go completed 11 million fully driverless rides in 2025 [117].

- **Zhipu (Z.ai) and MiniMax.** Both listed in Hong Kong on 8 and 9 January 2026. Zhipu's January 2026 Hong Kong IPO raised about US$558 million (HK$4.35 billion), or HK$4.17 billion net of expenses [617]. GLM-5 (12 February 2026) was the top open-weight model on Arena in March 2026 [117][618]. MiniMax's 2025 revenue was US$79.0 million, up from US$30.5 million [619]. **Moonshot** released the open-weight, 1-trillion-parameter Kimi K2 in July 2025 and K2 Thinking in November 2025 [620].
- **Chips.** Nvidia's H20 was cut off in April 2025 [621]. In January 2026, reports said Chinese customs blocked H200 shipments despite US clearance [622]. On 14 May 2026, Reuters reported that the US had cleared H200 sales to around ten Chinese buyers, including Alibaba, Tencent, ByteDance and JD, plus the distributors Lenovo and Foxconn [623]. Huawei's Ascend 910C was slated for mass shipment from May 2025. It is reported to deliver about 60% of H100 inference performance. Huawei was expected to sell 800,000+ 910B/910C chips in 2025 (reported) [621].

China · The AI services market and pricing

Buyers mostly purchase model tokens (MaaS), GPU cloud, agent platforms, AI marketing tools and AI customer service. Baidu's AI Cloud Infra revenue was RMB 7.3 billion in Q2 2026, up 50%, and GPU Cloud grew 283% [614]. For the whole of 2025, AI Cloud Infra was about RMB 20 billion [613]. Volcano Engine claims first place in agent platforms, with a 17.8% share for HiAgent in IDC's ranking [609].

Published API prices (RMB per million tokens):

- Doubao-Seed-2.1-Pro: 6 input, 30 output, 1.2 cached input. Turbo costs half [609][610].
- DeepSeek V4-Pro: 9 input (cache miss), 27 output at peak. Off-peak prices are half: 4.5 and 13.5 [624].
- DeepSeek Flash (V4.1-Flash): 2 input and 8 output at peak; 1 and 4 off-peak [624].
- Zhipu raised API prices by 10% on 7 April 2026 (reported) [618].

At the Doubao 2.1 launch (23 June 2026) Volcano Engine stressed capability rather than price; one secondary report (BigGo Finance) called it the end of the price war [609]. **Delivery models** include metered tokens with peak/off-peak and cache pricing, consumer subscriptions, subscription GPU capacity, and AI tools built into ad platforms. No public benchmarks for consulting day rates or agency AI retainers in RMB were found.

Exhibit 2.44: China: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
Doubao-Seed-2.1-Pro API (input / output / cached input)	RMB 6 / 30 / 1.2 per million tokens; Turbo at half Pro price	about USD 0.88 / 4.42 / 0.18 (as given by source)	[published]

Item	Price	USD	Type
DeepSeek V4-Pro API (input cache miss / output), peak hours	RMB 9 / 27 per million tokens; off-peak half (RMB 4.5 / 13.5); cache hit RMB 0.30 peak	–	[published]
DeepSeek Flash (V4.1-Flash) API (input cache miss / output), peak hours	RMB 2 / 8 per million tokens; off-peak RMB 1 / 4; cache hit RMB 0.04 peak	–	[published]
Zhipu (Z.ai) API price change	+10% on 2026-04-07	–	Claimed

China · Leading industries and use cases

- **Manufacturing.** Over 30% of large industrial firms use AI [585]. China installed 54% of the world's industrial robots in 2024 [117]. There are 400+ humanoid robot products, and annual output is expected to exceed 100,000 units [578]. JD Industrials deployed over 70 AI agents across the value chain, from procurement to fulfilment, in H1 2026 (claimed) [625].
- **Retail & e-commerce.** Over 50,000 merchants used JD's JoyStreamer digital human by end-2025. JD's AI customer service handled over 4.2 billion inquiries during the 2025 Singles Day ("11.11") sale (claimed) [626]. JoyInside, JD's AI agent for devices, had nearly 200 brand partners by the 618 sale in 2026 (claimed) [625].
- **Mobility.** Apollo Go operates in 28 cities worldwide and has driven over 350 million autonomous km [614].
- **Healthcare.** Users of JD Health's "Dr. Dawei" AI agent grew nearly fourfold during 618 in 2026 (claimed) [625].
- **Advertising.** Tencent's AI ad models (see below) and Baidu's AI-native marketing (RMB 9.8 billion in 2025, up 301%) [613].

Exhibit 2.45: China: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
JD.com [626]	E-commerce	JoyStreamer AI digital-human livestream hosts for merchants	More than 50,000 merchants using it by end-Q4 2025	Claimed
JD.com [626]	E-commerce	AI customer service during 2025 Singles Day (11.11)	Over 4.2 bn customer inquiries handled	Claimed
Tencent [612]	Advertising	AI ad-recommendation model and AIM+ automated campaign management in Weixin	Marketing services revenue RMB 43.6 bn in Q2 2026, +22% YoY	Reported
Baidu [614]	Advertising	AI-native marketing services	RMB 9.8 bn revenue in 2025 (+301%); flat YoY at RMB 2.6 bn in Q2 2026	Reported

Organisation	Industry	What	Result	Evidence
Alibaba (Qwen app) [627]	E-commerce / agentic commerce	Qwen app agentic ordering campaign over Lunar New Year (6-11 Feb 2026), backed by RMB 3 bn subsidies	More than 120 mn orders in six days	Claimed
Baidu Apollo Go [117]	Mobility	Fully driverless robotaxi service	11 mn fully driverless rides in 2025, +175% YoY	Reported
JD Industrials [625]	Industrial B2B	AI agents across procurement-to-fulfilment plus AI smart procurement assistant	70+ agents deployed in H1 2026	Claimed
ByteDance Volcano Engine [609]	Cloud / AI platforms	Doubao model API for enterprises	180 trillion tokens/day (10x YoY); 200 enterprises each above 1 trillion tokens a year	Claimed

China · Marketing, search, advertising and channels

AI search and assistants. Western assistants are not the default channel in China. Discovery runs through Doubao, Qwen, DeepSeek, Yuanbao and ERNIE [583][613]. Baidu App had 644 million MAU in June 2026 [614]. Citing Baidu's Q3 2025 results, a secondary source says about 70% of Baidu mobile search-result pages contained AI-generated content in October 2025 (claimed) [627]. For brands, this makes "GEO" (generative engine optimisation) in Chinese assistants an urgent task.

AI ads. Tencent's marketing revenue rose 22% to RMB 43.6 billion in Q2 2026. Tencent credits its AI ad-recommendation model and its AIM+ automated campaign tool, which now covers mini shops and mini dramas [612]. Baidu's AI-native marketing revenue was flat year on year at RMB 2.6 billion in Q2 2026, after growing 301% in 2025 [614][613]. That suggests early monetisation is levelling off.

Super apps. Weixin/WeChat has 1.439 billion MAU. Tencent is testing the Xiaowei agent there, running on a privacy-focused WeLM model [612]. No verified 2026 figures were found for Alipay's AI agent or payment volumes.

Commerce. Alibaba reports that Qwen app users placed more than 120 million orders in six days (6 to 11 February 2026), backed by RMB 3 billion in subsidies (claimed, via secondary source) [627]. No verified 2025-26 AI metrics were retrieved for Taobao/Tmall, Douyin shopping, Xiaohongshu or Pinduoduo.

Language. Mandarin-first models dominate, and over 90% of users choose domestic models first [580].

China · Opportunities

- **GEO/AEO for Chinese assistants.** Generative-AI users in China passed 700 million in H1 2026, and 76% of them use AI for Q&A [578]. AI answers now fill most Baidu mobile results (claimed) [627]. Brands need content structured for Doubao, Qwen, DeepSeek and ERNIE.
- **Agent builds in the 19 scenarios** named by the May 2026 opinions, pushed by the 70% target for 2027 [603] [592].
- **Compliance tooling.** Needs include label and metadata checks under the September 2025 rules, CAC filings (1,112 services and 731 apps so far), and companion-AI safeguards [598] [595] [602].
- **Low-cost inference** makes high-volume content and service automation affordable for SMEs. DeepSeek Flash costs RMB 1 per million input tokens off-peak [624].
- **Digital humans and AI service** in commerce, following JD's 50,000-merchant scale [626].
- **AI hardware and devices.** 38.7% of internet users bought smart hardware online in six months [578].
- **Outbound.** Chinese open-weight models (Qwen derivatives, GLM-5, DeepSeek) give foreign firms low-cost starting points [606] [117].

China · Barriers and risks

- **Compute limits.** H200 access depends on both US licences and Chinese customs. Domestic chips trail Nvidia [622] [621].
- **Compliance load.** Filing, labelling, companion-AI and agent rules apply depending on service scope, and CII operators face fines up to RMB 10 million for violations causing exceptionally severe consequences [601] [602].
- **Weak monetisation.** Baidu AI Applications grew only 3% in Q2 2026 [614]. The price war squeezed margins, and some players are now raising prices [618].
- **Concentration and churn.** Doubao dominates, and DeepSeek lost 20.3% of its users [584].
- **Geopolitics.** Zhipu has been on the US Entity List since January 2025 [628].
- **Thin public data.** Little public data exists on services pricing and SME adoption.

China · Outlook 2026–27

- **Mid-November 2026 (expected):** the CAC's next two-monthly filing bulletin, for September and October 2026 [595].
- **H2 2026:** enforcement of the companion-AI rules from 15 July 2026 [602]. Standards and protocols under the agent opinions are also due [603].
- **2026-27:** competition moves from token price cuts to embedding AI in core production and creating measurable business value [609] [618].
- **2026-27:** whether H200 supplies actually reach around ten U.S.-approved Chinese buyers, after Chinese customs earlier blocked H200 shipments [623].
- **2026:** the first year of the 15th Five-Year Plan period [606].
- **2027:** the AI+ checkpoint, with over 70% penetration of terminals and agents [592].
- **2030:** the 90% target [592].

Notes and sources

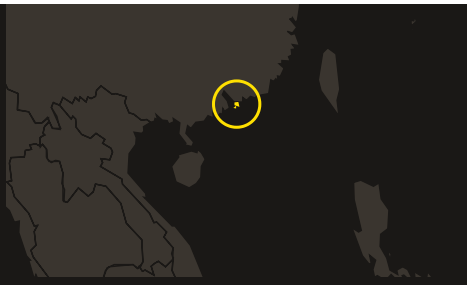
1. China's generative AI users double to 515 mln: report. gov.cn (CNNIC). 2025-10-18 link [576]
2. China's generative AI user base doubles to 515 million in six months. AI News. 2025-10 link [580]
3. Generative AI users reach 602M in China with 80.1% internet penetration rate (CNNIC 57th report). Anadolu Agency. 2026-02 link [577]
4. CNNIC "Generative AI Application Development Report (2026)" summary. ChainCatcher. 2026-09-29 link [578]
5. China's generative AI users top 700 million as adoption passes 50 percent. MLex. 2026-09-29 link [579]
6. Generative AI users in China exceed 700 million (ECNS). UA.News. 2026-09-29 link [585]
7. AI Index Report 2026. Stanford HAI. 2026 link [117]
8. Misra et al., Measuring AI Diffusion (arXiv:2511.02781). Microsoft AI for Good Lab. 2025-11-04 link [581]
9. QuestMobile: China's AI-native apps reach 499 million MAU. TechNode. 2026-07-14 link [583]
10. QuestMobile 2026 Half-Year AI Application Market Report. 36Kr. 2026-07 link [582]
11. China's AI app market has one leader and one stalled challenger. CIW. 2026-07 link [584]
12. IDC: China's AI investment to exceed $100 billion by 2028. AIbase. 2025-04 link [587]
13. IDC: China's generative AI hardware spending to reach 33 billion yuan. AIbase. 2025-08-15 link [588]
14. China AI Statistics 2026 (citing MIIT, March 2026). Axis Intelligence. 2026 link [586]
15. AI to play key role in revving up industrial upgrades. China Daily. 2025-12-22 link [606]
16. China issues guideline to accelerate 'AI Plus' integration across key sectors. gov.cn. 2025-08-27 link [592]
17. China Releases "AI Plus" Policy: A Brief Analysis. Geopolitechs. 2025-08 link [591]
18. China's "AI+" drive aims for integration across sectors. MERICS. 2025-09 link [594]
19. NDRC charts path to drive China's new AI+ action plan. Yicai Global. 2025 link [593]
20. China unveils guidelines to regulate, boost innovative development of AI agents. gov.cn. 2026-05-08 link [603]
21. China Issues First National Policy Framework Dedicated to AI Agents. NYU Shanghai RITS. 2026-05 link [604]
22. Notice on the Measures for Labelling AI-Generated Synthetic Content. CAC. 2025-03-14 link [598]
23. China AI regulation tracker. Deep Lex. 2026 link [599]
24. China Approves Major Amendments to Cybersecurity Law, Effective 1 January 2026. Reed Smith. 2025-11 link [601]
25. China Issues Interim Measures on Anthropomorphic AI Interaction Services. Licentium. 2026-04 link [602]
26. Announcement on filed generative AI services (July to August 2026). CAC. 2026-09-14 link [595]
27. App Registrations Doubled While Model Filings Went Flat in China. China AI Dispatch. 2026-09 link [596]
28. CAC registered 72 new generative AI services from March to April. Wedoany. 2026-05 link [597]
29. Regulation of artificial intelligence (China section). Wikipedia. accessed 2026-10-01 link [95]
30. China's AI Token Consumption Set to Hit 100 Quadrillion in 2026 (citing NDA/Xinhua). Startup Fortune. 2026 link [629]
31. ByteDance Bids Farewell to Price War: Doubao 2.1. BigGo Finance. 2026-06-23 link [609]
32. Volcanic Engine launches Doubao 2.1 with daily token usage exceeding 180 trillion. KuCoin News. 2026-06-23 link [610]
33. DeepSeek API pricing (Chinese). DeepSeek. accessed 2026-10-01 link [624]
34. DeepSeek. Wikipedia. accessed 2026-10-01 link [605]
35. Zhipu AI. Wikipedia. accessed 2026-10-01 link [618]
36. MiniMax (company). Wikipedia (citing HKEX filings). accessed 2026-10-01.) link [630]
37. Moonshot AI. Wikipedia. accessed 2026-10-01 link [620]
38. Qwen. Wikipedia. accessed 2026-10-01 link [607]
39. Model Studio model list. Alibaba Cloud. 2026-10-28 link [608]

40. Nvidia H20 / Hopper (2026 H200 events, citing The Guardian and Reuters). Wikipedia. accessed 2026-10-01 link [622]
41. HiSilicon (Ascend chips). Wikipedia. accessed 2026-10-01 link [621]
42. Baidu Announces Fourth Quarter and Fiscal Year 2025 Results. Baidu. 2026-02-26 link [613]
43. Baidu Announces Second Quarter 2026 Results. Baidu. 2026-08-18 link [614]
44. Baidu Announces Dual-Primary Listing on the Main Board of SEHK. Baidu. 2026-08-31 link [616]
45. Tencent Announces 2026 Second Quarter Results. Tencent. 2026-08-12 link [612]
46. JD.com Announces Fourth Quarter and Full Year 2025 Results. JD.com. 2026-03-05 link [626]
47. JD.com Announces Second Quarter and Interim 2026 Results. JD.com. 2026-08-13 link [625]
48. China's AI Internet: AEO & Agentic Marketing vs the West (citing Baidu Q3 2025 and Alibaba). Sanbi.ai. 2026 link [627]
49. Asia/Pacific AI Market Primer. IDC. 2026-03 link [589]
50. Baidu press release list (Kunlunxin spin-off proposal, 1 Jan 2026). Baidu IR. accessed 2026-10-01 link [615]
51. Doubao. Wikipedia. accessed 2026-10-01 link [611]
52. Global AI Adoption in 2025: A Widening Digital Divide (AI Diffusion Report, H2 2025). Microsoft. 2026-01 link [17]
53. Zhipu AI share sale to raise HK$4.35 billion (Hong Kong IPO). South China Morning Post, via Yahoo Finance. accessed 2026-11 link [617]
54. MiniMax Global announces full-year 2025 financial results. MiniMax. 2026 link [619]
55. Daily token use in China, citing National Data Administration head Liu Liehong. China Daily. 2026-03-24 link [590]
56. China AI regulatory landscape (2025 milestones; secondary). Securiti. accessed 2026-11 link [600]
57. Reuters, via Investing.com, "Exclusive-US clears H200 chip sales to 10 China firms as Nvidia CEO looks for breakthrough", 14 May 2026 link [623]
58. U.S. Department of Commerce, Bureau of Industry and Security, "Entity List additions including Zhipu AI", 16 Jan 2025 link [628]

Greater China · 25 of 46

Hong Kong

Country profile HKG



Hong Kong has become a listing venue for Chinese AI firms: Zhipu and MiniMax listed there in January 2026, and Baidu announced a dual-primary listing in August. It has no AI-specific law; it uses subsidies, public compute (5,000 petaFLOPS in total) and sector sandboxes, and in September 2026 it announced a new Commissioner for AI post and a seven-part risk-governance plan.

95.8%
of people use the internet
World Bank [112], 2024

Key dates, 2026–27

2026-H2	Hong Kong AI Research and Development Institute starts operating
2027-28	Hong Kong Housing Authority starts using AI+ HA-PIMAP to plan all new projects
2027-H1	18-month AI upskilling campaign for about 40,000 employees begins
2028-Q1	200+ 'AI for All' training courses available

How AI is regulated

Existing law and sector regulators

What to watch

- H2 2026: Hong Kong AI Research and Development Institute starts operating.
- 2026-27: the Government takes forward its seven-aspect AI risk-governance strategy, with a new Commissioner for AI assisting bureaux.
- H1 2027: 18-month upskilling campaign begins.

Hong Kong · Market and adoption

No credible 2025-26 figures were found for Hong Kong's AI market size, consumer AI use or firm adoption. Microsoft's AI User Share table does not list Hong Kong [581]. Stanford's AI Index does not list Hong Kong among the top 15 economies for private AI investment in 2025 (the 15th was about US$0.97 billion) [117]. One signal is talent demand: 3.5% of Hong Kong job postings required AI skills in 2025. Only Singapore (4.69%) ranked higher among the economies tracked [117]. Hong Kong also produced 98 accepted responsible-AI papers in 2025, fifth globally [117]. McKinsey's "Greater China" figure (88% of organisations using AI in 2025) includes Hong Kong but does not break it out [117].

Hong Kong · Policy and regulation

- **2025 Policy Address (September 2025).**
- HK$1 billion for a Hong Kong AI Research and Development Institute (AIRDI), launching in 2026.
- A HK$3 billion Frontier Technology Research Support Scheme.
- An AI Efficacy Enhancement Team led by the Deputy Chief Secretary.
- 10 hectares at Sandy Ridge for a data facility cluster.
- Cyberport's AI Supercomputing Centre is in operation.
- Hong Kong Investment Corporation stakes in AI firms.
- A mechanism for cross-boundary flows of mainland data [631].
- **2026-27 Budget (February 2026).**
- A new Committee on AI+ and Industry Development Strategy, chaired by the Financial Secretary.
- AIRDI to start operating in H2 2026.
- The HK$3 billion AI Subsidy Scheme has approved about 30 R&D applications.
- InnoHK funds 16 AI and robotics labs.
- Total computing power has reached 5,000 PFLOPS.
- Sandy Ridge offers 250,000 sq m of floor area.
- HK$50 million for public AI training and HK$100 million for government AI tools [632].
- **2026 Policy Address (16 September 2026).** Delivered with the first Five-Year Plan (2026-2030) [633].
- A new Commissioner for AI under the Digital Policy Office.
- A seven-part AI risk-governance plan. It covers criminal misuse, protection of minors, an ethics framework, application safety, liability for AI accidents, AI Agent safety guidelines and job impact [634].
- The Address reports the HKMA's GenAI Sandbox upgraded to a cross-sector "Sandbox++" covering securities, wealth management, insurance and MPF. Financial regulators had already launched Sandbox++ on 5 March 2026 [635].
- Ten major insurers commit to AI Centres of Excellence [634].
- Matching subsidies for SMEs adopting AI and cybersecurity tools, through the enhanced DTSPP [634].
- **Regulation model.** Voluntary guidance and sector regulators working under general law, including the Personal Data (Privacy) Ordinance. No AI-specific labelling rule for marketing was found.

Exhibit 2.46: Hong Kong: the rules that matter for AI

Source: Research notes and official texts for Hong Kong SAR, China; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Personal Data (Privacy) Ordinance (Cap. 486) [634]	[in force]	in force	Governs personal data used in AI training and marketing; no AI-specific statute.
Seven-part AI risk-governance programme (criminal misuse, minors, ethics framework, application safety, AI product liability, AI Agent safety guidelines, employment impact) [634]	[proposed]	announced 2026-09-16; timelines not specified	Expect guidance or rules on liability for AI accidents and on AI Agents; ethics framework may shape marketing uses.
HKMA GenAI Sandbox expanded to cross-sector 'GenA.I. Sandbox++' [635]	[in force]	Launched by financial regulators 2026-03-05; reported in the Policy Address 2026-09-16	Banks, securities, wealth management, insurance and MPF firms can test GenAI use cases with regulator oversight.

Hong Kong · Ecosystem and big-tech moves

Public anchors are AIRDI, Cyberport (its Cyberport 5 expansion was completed in June 2026 [636] [637]), InnoHK and the HKMA-Cyberport GenAI sandbox, now in its second cohort [632]. Hong Kong's role as a capital-market bridge grew in 2026. Zhipu listed on 8 January 2026, raising about US$558 million, and MiniMax listed on 9 January 2026 [618] [638]. Baidu announced a dual-primary listing in Hong Kong on 31 August 2026 [616]. Its shares were then added to Stock Connect in September 2026 [615].

Hong Kong · The AI services market and pricing

Demand is led by government programmes and financial services. The main channels are the AI Subsidy Scheme, the DTSPP subsidies for SMEs, and HKPC's "Digital DIY" portal, which is adding AI advisory for SMEs [632] [634]. The HK$300 million "AI for Welfare Lab" is another channel [634]. No published price points for AI services in Hong Kong were found.

Hong Kong · Leading industries and use cases

- **Finance and insurance.** Sandbox++ and insurer AI Centres of Excellence [634].
- **Government.** AI is used in traffic management, employment services, flood forecasting and landslide risk [632]. The Census and Statistics Department reported large efficiency gains from using AI to check trade data (claimed) [631].
- **Health, legal, construction and transport.** The Hong Kong Housing Authority's AI+ HA-PIMAP will be applied to planning all new projects from 2027-28, and nine pilot autonomous-vehicle licences have been issued [634].

Exhibit 2.47: Hong Kong: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Census and Statistics Department [631]	Government	AI to examine trade data	Described as exponential efficiency gains	Claimed
Ten major insurers (Insurance Authority AI Cohort Programme) [634]	Insurance	AI Centres of Excellence in Hong Kong	Commitments announced	Claimed

Hong Kong · Marketing, search, advertising and channels

No verified data was found on AI search share, AI ad tools or assistant usage in Hong Kong. Content runs in Cantonese, English and Traditional Chinese. No AI-marketing disclosure rule was found.

Hong Kong · Opportunities

- SME AI adoption paid for by DTSPP matching grants [634].
- Cross-sector finance use cases under Sandbox++ [634].
- Training services, with 200+ training courses and activities due by Q1 2028 and an 18-month upskilling drive for about 40,000 employees starting H1 2027 [634].
- Data centre and compute services around Sandy Ridge [632].
- IPO-related work for Chinese AI firms [639] [638].

Hong Kong · Barriers and risks

- Almost no official statistics on AI adoption.
- A small domestic market.
- AI rules still being designed, including liability and agent guidelines [634].
- Dependence on mainland and US tech stacks.

Hong Kong · Outlook 2026–27

- **H2 2026:** AIRDI begins operating [632].
- **2026-27:** the Government takes forward its seven-aspect AI risk-governance strategy under the Chief Secretary for Administration, with a new Commissioner for AI under the Digital Policy Office to assist bureaux [634].
- **H1 2027:** the upskilling campaign starts [634].
- **2027-28:** Hong Kong Housing Authority starts using AI+ HA-PIMAP to plan all new projects [634].
- **Q1 2028:** 200+ AI training courses and activities rolled out [634].

Notes and sources

1. The 2026-27 Budget: Artificial Intelligence + (paras 34-51). HKSAR Government. 2026-02 link [632]
2. The 2026-27 Budget: Budget Speech index. HKSAR Government. 2026-02 link [640]

3. The Chief Executive's 2025 Policy Address (full text). HKSAR Government. 2025-09 link [631]
4. The Chief Executive's 2026 Policy Address, Chapter III (paras 102-144). HKSAR Government. 2026-09-16 link [634]
5. 2026 Policy Address press releases. HKSAR Government. 2026-09-16 link [633]
6. AI Index Report 2026. Stanford HAI. 2026 link [117]
7. Baidu Announces Dual-Primary Listing on the Main Board of SEHK. Baidu. 2026-08-31 link [616]
8. Baidu press releases (Stock Connect inclusion, 4 and 6 Sep 2026). Baidu IR. accessed 2026-10-01 link [615]
9. Zhipu AI. Wikipedia (citing CNBC, 2026-01-08). accessed 2026-10-01 link [618]
10. MiniMax (company). Maples Group. 15 January 2026 link [638]
11. Misra et al., Measuring AI Diffusion (arXiv:2511.02781). Microsoft AI for Good Lab. 2025-11-04 link [581]
12. Cyberport. Wikipedia. accessed 2026-10-01 link [641]
13. Press release 20260305-3 on the launch of the cross-sector GenA.I. Sandbox++. Hong Kong Monetary Authority. 2026-03-05 link [635]
14. Cyberport fills 50% of phase 5 offices, Lenovo and BrainCo among tenants: chairman. South China Morning Post. 2026-08 link [636]
15. HKSAR Government, "Hong Kong Artificial Intelligence Research and Development Institute", 26 September 2025 link [637]
16. Tian Yuan Law Firm, "Zhipu AI", 8 January 2026 link [639]

Greater China · 26 of 46

Taiwan

Country profile TWN



Taiwan's AI economy centres on chips and servers: TSMC's HPC platform was 66% of Q2 2026 revenue, which grew 36% YoY, and Foxconn posted record Q2 2026 revenue on AI server demand. Domestic AI use is above the US level: Microsoft estimates 33.8% of working-age people used AI in Q2 2026 (19th; US 33.0%).

33.8%

of working-age people use AI · rank 19 of 147

Microsoft AI Diffusion, Q2 2026

Key dates, 2026–27

2026-01-14	AI Basic Act promulgated and in force (Article 20) [642] [643]
2026-07-31	Foxconn's Visionbay.ai launches a 5MW NVIDIA HGX B300 cluster (claimed Taiwan's largest)
2026-09-10	Planned NT$300 bn semiconductor facilities and chip-design software programme through 2033
2026-09-22	Executive Yuan policy on supporting micro, small and medium-sized enterprises
2026-10-15	TSMC Q3 2026 revenue about US$46.7bn, above guidance; Q4 guidance US$52.3-54.3bn

How AI is regulated

Framework or promotion law

What to watch

- Q4 2026: TSMC guidance of US$52.3-54.3 billion, after Q3 revenue of about US$46.7 billion (+41% year-on-year in US dollars), above guidance.
- Full-year 2026: Foxconn expects AI server rack shipments to more than double (claimed).
- 2026-27: MODA AI Risk Taxonomy and Assessment Framework and AIEC standards under the AI Basic Act.

Taiwan · Market and adoption

Microsoft's AI User Share for Taiwan rose from 26.4% in H1 2025 to 28.4% in H2 2025. That is slightly above the US (28.3%) [581] [117] [17]. By Q2 2026 Taiwan was at 33.8% (19th), against 33.0% for the US (Microsoft). Taiwan recorded the fastest growth in industrial robot installations of any major market in 2024, at 33% [117]. Stanford does not list Taiwan among the top 15 economies for private AI investment in 2025 (the cut-off was about US$0.97 billion) [117]. McKinsey's Greater China figure (88% of organisations using AI) includes Taiwan but does not break it out [117].

Taiwan · Policy and regulation

- **AI Basic Act.** Promulgated on 14 January 2026 and in force the same day: Article 20 says the Act takes effect on the date of its promulgation [642] [643]. MODA describes it as "officially in force" [644]. It sets seven principles: sustainability and well-being, human autonomy, privacy and data governance, cybersecurity and safety, transparency and explainability, fairness, and accountability. The state commits to disclosure or labelling of AI-generated content, sandboxes, subsidies and tax incentives, and data-sharing mechanisms [645]. MODA is building an AI Risk Taxonomy and Assessment Framework under the Act [646]. The Administration for Digital Industries runs the AI Evaluation Centre (AIEC) [644].
- **Money and programmes.**
- A NT$10 billion National Development Fund allocation for AI start-ups and the digital economy [644].
- The Taiwan Sovereign AI Training Corpus, which had recently added approximately 20 million Hakka-language tokens, according to a 24 July 2026 release [647].
- A policy for an AI-powered smart education system (3 June 2026) [648].
- Planned NT$300 billion for semiconductor facilities and chip-design software through 2033 (10 September 2026) [649].
- The Premier has cited "10 major AI projects" (19 August 2026) [650].
- **Healthcare AI.** 11 demonstration cases were approved in 2025. For 2026, 57 proposals passed screening and at least 19 are expected to be approved [651].
- **Data protection.** The Personal Data Protection Act applies. No AI-specific advertising rule was found beyond the Act's labelling principle [645].

Exhibit 2.48: Taiwan: the rules that matter for AI

Source: Research notes and official texts for Taiwan; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Artificial Intelligence Basic Act [645]	[in force]	2026-01-14 (promulgated and in force, Art. 20) [642] [643]	Seven principles (sustainability, human autonomy, privacy and data governance, cybersecurity and safety, transparency and explainability, fairness, accountability); state commits to disclosure/labelling of AI-generated content, sandboxes, subsidies and tax incentives, and data-sharing mechanisms.

Law or rule	Status	Effective	What it means for business
MODA AI Risk Taxonomy and Assessment Framework (under the AI Basic Act) [646]	[draft]	in development (2026)	Four steps: AI use-case inventory, risk identification, risk assessment, risk response; likely template for sector rules.
AI Evaluation Centre (AIEC) evaluation frameworks and standards [644]	[in force]	operating (run by MODA's Administration for Digital Industries)	Vendors can seek evaluation against national AI standards.

Taiwan · Ecosystem and big-tech moves

- **TSMC.**
- Q2 2026 revenue was NT$1,270.38 billion (US$40.20 billion), up 36.0% [652].
- By platform, HPC made up 66% of revenue and smartphones 22%. By region, North America took 78% and China 6% [653].
- 3nm and 5nm chips made up 63% of wafer revenue [652].
- Q3 2026 revenue was about US$46.7 billion (+41% year-on-year in US dollars), above guidance; Q4 guidance is US$52.3-54.3 billion (15 Oct 2026) [654].
- 2025 revenue was US$122.42 billion (reported) [655].
- **Foxconn (Hon Hai).**
- Q2 2026 revenue was a record NT$2.53 trillion (Hon Hai's own results, claimed) [656]. 2025 revenue was NT$8.103 trillion [657].
- It expects AI server rack shipments to more than double in 2026 (claimed) [656].
- Its unit Visionbay.ai launched a 5MW NVIDIA HGX B300 cluster on 31 July 2026, which it calls Taiwan's largest. It says utilisation is above 90% (claimed) [656].
- **Cross-strait link.** Foxconn and Lenovo were named as distributors when the US approved H200 sales to Chinese firms in May 2026 [622].

Taiwan · The AI services market and pricing

Demand is shaped by the hardware boom and by public programmes. The main examples are healthcare AI demonstrations, government AI industry talent guidelines (May 2026) and the NT$10 billion National Development Fund allocation for AI start-ups and the digital economy [651] [658] [644] [659]. MODA says it provides computing power to information service providers [644]. No published local prices for AI services were found.

Taiwan · Leading industries and use cases

- **Semiconductors and servers** lead by far [652] [656].
- **Smart manufacturing and robotics**, with the fastest robot-installation growth among major markets [117].
- **Healthcare**, with MODA demonstration cases on non-contact measurement, fall and anomaly alerts and rehab feedback [651].

- **Education**, under the June 2026 policy [648].
- **Language technology**, with sovereign corpora in Hakka and other local languages [647].

Exhibit 2.49: Taiwan: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
MODA healthcare AI programme [651]	Healthcare	Non-contact measurement, abnormal behaviour alerts, safety monitoring, rehabilitation feedback	11 demonstration cases approved in 2025; 57 proposals passed screening for 2026	Reported
Visionbay.ai (Foxconn) [656]	Cloud / AI infrastructure	5MW NVIDIA HGX B300 GPU cluster with liquid cooling	Utilisation above 90% with long-term enterprise customers	Claimed

Taiwan · Marketing, search, advertising and channels

No verified data was found on AI search use, AI ad products or assistant usage in Taiwan. Content runs mostly in Traditional Chinese, the focus of the sovereign corpus [647].

Taiwan · Opportunities

- Services around AI data centres and GPU clouds, such as Visionbay's B300 cluster [656].
- AI for SMEs and manufacturers, linked to the policy supporting digital transformation for micro, small and medium-sized enterprises (22 September 2026) [648] [660].
- Healthcare AI projects, with at least 19 approvals expected in 2026 [651].
- Compliance and evaluation services under the AI Basic Act risk framework and AIEC [646] [644].
- Models and data for Traditional Chinese and local languages [647].

Taiwan · Barriers and risks

- Heavy reliance on the US data-centre cycle (78% of TSMC's total net revenue came from North America-based customers in Q2 2026) [653].
- Implementing rules for the AI Basic Act are still in progress [646].
- Geopolitical and export-control exposure [622].

Taiwan · Outlook 2026–27

- **Q4 2026:** TSMC's guidance of US$52.3 to 54.3 billion, after Q3 revenue of about US$46.7 billion [654].
- **Full-year 2026:** Foxconn expects AI rack shipments to more than double (claimed) [656].
- **2026-27:** MODA's AI Risk Taxonomy and Assessment Framework and AIEC standards under the AI Basic Act [646].
- **2026-2033:** the planned NT$300 billion chip programme [649].

Notes and sources

1. AI Index Report 2026 (incl. Microsoft AI Economy Institute H2 2025 data; IFR robot data). Stanford HAI. 2026 link [117]
2. Misra et al., Measuring AI Diffusion (arXiv:2511.02781). Microsoft AI for Good Lab. 2025-11-04 link [581]
3. moda x AI (major policy page). Ministry of Digital Affairs. 2026-09-17 link [644]
4. AI Basic Act principles and measures. Ministry of Digital Affairs. 2026-04-30 link [645]
5. AI Risk Taxonomy and Assessment Framework. Ministry of Digital Affairs. 2026 link [646]
6. Healthcare AI Innovation Project. Ministry of Digital Affairs. 2026 link [651]
7. MODA press releases (AI government talent guidelines, 2026-06-09). Ministry of Digital Affairs. 2026 link [658]
8. Taiwan commits major funding to semiconductor facilities, chip design software. Executive Yuan. 2026-09-10 link [649]
9. Major Policies list. Executive Yuan. accessed 2026-10-01 link [648]
10. Executive Yuan videos (Premier Cho at TAIROS/Automation Taipei, 2026-08-19). Executive Yuan. 2026-08-19 link [661]
11. TSMC 2Q26 Earnings Release. TSMC. 2026-07-16 link [652]
12. TSMC 2Q26 Management Report. TSMC. 2026-07-16 link [653]
13. TSMC quarterly results 2Q26. TSMC. 2026-07 link [662]
14. TSMC. 4Q25 Quarterly Management Report. 2026-01-15 link [663]
15. Hon Hai latest news (Q2 2026 results, 2026-08-12; Visionbay, 2026-07-31). Hon Hai. 2026 link [656]
16. Foxconn. Wikipedia. accessed 2026-10-01 link [664]
17. Nvidia H20 / Hopper (H200 approvals, citing Reuters 2026-05-14). Wikipedia. accessed 2026-10-01 link [622]
18. Press release on 20 million Hakka-language tokens added to the Taiwan Sovereign AI Training Corpus. Ministry of Digital Affairs. 2026-07-24 link [647]
19. TSMC, third quarter 2026 results, 2026-10-15 link [654]
20. Laws & Regulations Database of the Republic of China (Taiwan), Ministry of Justice, "Artificial Intelligence Basic Act" (pcode H0160093), promulgated 14 Jan 2026 link [642]
21. Lee and Li, "The Artificial Intelligence Basic Act is promulgated and enters into force", 2026-01-15 link [643]
22. Microsoft, "Global AI Adoption in 2025: A Widening Digital Divide", Jan 2026 link [17]
23. Executive Yuan, "Premier Cho at the Taiwan robotics and automation exhibitions", 19 Aug 2026 link [650]
24. TSMC, "4Q25 Quarterly Management Report", 15 Jan 2026 link [655]
25. Hon Hai, "2025 Annual Report" link [657]
26. Ministry of Digital Affairs, "AI industry talent identification guidelines", May 2026 link [659]
27. Executive Yuan, "Supporting and growing micro-, small and medium-sized enterprises", 22 Sep 2026 link [660]

Part 2 · Region 07

Japan & South Korea

Japan is a late but fast-catching AI market, led by government policy. South Korea has posted the largest percentage-point gains in Microsoft's AI-use measure.



AI users, % of working-age people (Q2 2026)

South Korea	40.6%
Japan	24.7%
Global average (Microsoft)	18.8%

In this region

Japan	204
South Korea	213

Japan & South Korea · 27 of 46

Japan

Deep dive JPN



Japan is a late but fast-catching AI market, led by government policy. Self-reported generative AI use reached 58.8% of people aged 15-69 in FY2025 (MIC). On the earlier basis of people aged 20 and over, it roughly doubled, from 26.7% to 52.2%. Microsoft telemetry puts working-age use at only 24.7% in Q2 2026, far behind South Korea.

24.7%
of working-age people use AI · rank 45 of 147
Microsoft AI Diffusion, Q2 2026

86.4%
of firms use AI (Japanese firms in MIC's 4-country corporate...)
Ministry of Internal Affairs and Communi, 2025

$1.1bn
private AI investment
Stanford AI Index 2026, 2025

2.4 JPY trillion
AI market size, 2025
IDC Japan, 2025

85.5%
of people use the internet
World Bank [112], 2024

Key dates, 2026–27

2026-07-14	AI Basic Plan (Phase II) adopted by Cabinet
2026-07-24	MIC 2026 White Paper: individual generative AI use 58.8%
2026-08-05	METI sets up a unified AI and robotics policy division
2027	IDC expects inference spending to overtake training in Japan's AI server market

How AI is regulated

Framework or promotion law

What to watch

- 2026: SB OAI Japan's exclusive Crystal intelligence rollout to Japanese enterprises
- FY2026: about JPY 390 billion planned for Noetora and other entities, with total government support expected to reach about JPY 1 trillion over five years; practical physical-AI applications targeted for 2030
- 2026: final vertical-AI sector roadmaps due under the July 2026 Basic Plan

Japan · Market and adoption

- IDC Japan sizes the domestic AI market (hardware, software, services) at JPY 2.3725 trillion in 2025. It forecasts JPY 6.8897 trillion by 2029, a 36.0% CAGR for 2024-29 [665]. AI would then be about 20% of Japan's IT spend [665].

- AI software grows fastest, at a 48.9% CAGR. By use case, sales (46.2% CAGR) and customer service (42.0%) lead [665].
- An older, narrower IDC series ("AI systems") put 2024 at JPY 1.3412 trillion, up 56.5%. It forecast JPY 4.1873 trillion by 2029 (25.6% CAGR) [666]. Different scope; do not mix.
- AI infrastructure: JPY 694.6 billion in 2025, close to JPY 1 trillion by 2030 [667]. AI infrastructure services grow from JPY 95.7 billion (2025) to JPY 232.0 billion (2030), a 19.4% CAGR [667]. IDC expects AI infrastructure spend to pass non-AI infrastructure spend by 2028 [668].
- IT services overall hit JPY 7.5663 trillion in 2025 (+7.3%). They should reach JPY 10.2541 trillion by 2030 (6.2% CAGR). Project-based IT services spending grew 10.0% year on year in 2025, driven by large IT modernisation projects and new system development, especially customer-facing services [669].

Business adoption. Three sources, three very different pictures.

- MIC's 4-country panel (515 Japanese firms, surveyed Jan-Feb 2026): 86.4% use generative AI in at least one business function, up from 55.2% [670][671]. The US is at 90.9%, Germany 91.6%, China 98.1% [670]. The gap with the US shrank from 35.4 points to 4.5 points [671].
- Same survey: 68.9% of Japanese firms have a generative AI policy (49.7% a year earlier). The US is at 84.4%, Germany 82.2%, China 94.1% [670].
- The big gap is depth. 27.0% of Japanese firms that do not prohibit generative AI have no organisational effort to transform the business with AI. The US figure is 1.4%, Germany 4.9%, China 2.6%. Among SMEs that do not prohibit generative AI, 45.6% report no organisational initiatives for business transformation [671][672].
- Teikoku Databank (10,312 firms, March 2026): only 34.5% use generative AI in business operations. Large firms 46.5%, SMEs 32.4%, small firms 28.0% [673][674]. This is the better read on the whole economy.
- IDC: by end-2025, over 50% of enterprises had generative AI in full deployment, over 90% including PoCs, and over 40% were piloting or running agentic AI [675].
- MIC: 58.8% of 15-69s had used a generative AI service in FY2025 [670][676]. Earlier surveys covered only people aged 20 and over; on that basis use rose to 52.2%, from 26.7% (the sample added 15-19s this year) [676][671]. The US and Germany are at 75.6%, China at 93.6% [670].
- By age: 91.7% of 15-19s, 78.2% of 20-29s, but only 33.5% of 60-69s [670]. About 30% use it almost daily [670].
- Text generation drives it: 55.0%, against 16.3% for image/video and 7.0% for code [671].
- Microsoft telemetry (share of 15-64s using AI): 16.7% (H1 2025), 19.1% (H2 2025), 22.5% (Q1 2026, 48th), 24.7% (Q2 2026) [16][119][17].
- Surveys count anyone who ever tried a tool; telemetry counts use in a set period [677]. Read 25% as "use during the reported period" and 55-59% as "ever tried".

Capital. Private AI investment was USD 1.11 billion in 2025, 14th in the world. 56 AI companies got new funding [61]. Korea raised more (USD 1.78 billion) [61].

Japan · Policy and regulation

AI Promotion Act (Act No. 53 of 2025). The Cabinet approved the bill on 28 Feb 2025 and the Diet passed it on 28 May 2025 [678]. It was promulgated and partly in force on 4 Jun 2025, and fully in force (including the AI Strategy Headquarters and Basic Plan) from 1 Sep 2025 [679]. The PM chairs the HQ, with the whole cabinet as members. Its first meeting was 12 Sep 2025 [680]. The law has no fines. Businesses must "make efforts" to cooperate, and the state can investigate and advise [680].

AI Basic Plan, first edition. The HQ approved the draft on 19 Dec 2025. PM Takaichi pledged "over JPY 1 trillion" for AI measures for the time being [681]. She said over JPY 400 billion of AI measures were already in the economic package. She set a goal of making government AI available to 100,000+ government staff from May 2026 and expanding the AI Safety Institute to 200 staff, matching the UK's scale [681]. The Cabinet adopted the plan on 23 Dec 2025, with four pillars: use AI, create AI, make AI trustworthy, work with AI [682]. Press reports on the draft cited an 80% citizen-use goal [683].

AI Basic Plan (Phase II). The Cabinet adopted this revised plan on 14 Jul 2026, just six months later [684] [685]. Public comment ran 19-23 Jun 2026 [686]. The stated trigger was more complex and severe AI security risks, especially AI-enabled cyberattacks [687]. New measures: better cyber defence, early access to frontier models through foreign partners, and a stronger AISI. It also opens a review of whether the AI law should penalise non-cooperation with government investigations [687]. The plan cites investment figures through FY2040: JPY 23.1 trillion for vertical AI, JPY 10.5 trillion for physical AI and JPY 68.0 trillion for semiconductors [685]. It says 180,000 government staff are using AI [685]. It names 20 vertical AI priority domains, such as manufacturing, shipbuilding, logistics, finance, drug discovery, healthcare and defence [688]. The plan will be revised every year [688].

Guidelines (soft law).

- AI Guidelines for Business: v1.0 on 19 Apr 2024, v1.2 on 31 Mar 2026 [679] (the METI PDF could not be re-opened on 3 Nov 2026).
- Guidelines on appropriate AI R&D and use: 19 Dec 2025 [680].
- Digital Agency guideline on buying generative AI: v2.0 on 12 Jun 2026 [686]. Ministries must appoint Chief AI Officers [689].
- AISI safety evaluation guide v1.20 (7 Jul 2026) adds AI-agent criteria. An AI robotics safety guide followed on 23 Jul 2026 [686].

Copyright and IP. No AI-specific copyright change. The existing Copyright Act applies, and debate continues [680]. A draft Principle Code on generative AI and IP came out on 26 Dec 2025, with no money penalties [680]. Consultation closed in January 2026 [690]. The revised plan flags future guidance on unauthorised voice use, personality rights and paying rights holders [688].

Privacy. A 2026 APPI amendment reportedly lets firms share personal data without consent for statistics or AI development, and adds new penalties. Implementing rules are pending [688]. Confirm dates with the Personal Information Protection Commission before publishing.

Other 2026 moves. A new council to overhaul AI legal frameworks launched on 7 Jul 2026. Its focus is medical and elderly care, transport, work and public services [691]. METI set up a joint AI and robotics policy division on 5 Aug 2026 [692].

AI in marketing. No AI-specific ad or labelling law was found. The Information Distribution Platform Act (passed 9 May 2024) is relevant to AI content on platforms [680]. The revised plan backs tools to detect AI-generated content [687].

Exhibit 2.50: Japan: the rules that matter for AI

Source: Research notes and official texts for Japan; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Act on Promotion of Research and Development and Utilization of AI-Related Technologies (AI Promotion Act, Act No. 53 of 2025) [679]	[in force]	Enacted 28 May 2025; promulgated 4 Jun 2025; Chapters III-IV (AI Strategy HQ, Basic Plan) in force 1 Sep 2025	Duty to 'make efforts' to cooperate with government AI measures. The state can investigate and issue guidance, but there are no fines. The July 2026 plan revision flags a review that could add penalties for non-cooperation with investigations.
AI Guidelines for Business (MIC/METI) [686]	[in force]	v1.0 19 Apr 2024; v1.2 31 Mar 2026	Non-binding reference for AI developers, providers and business users; de facto standard for enterprise AI governance and vendor due diligence.
Digital Agency guideline on procurement and use of generative AI in government [686]	[in force]	v2.0 adopted 12 Jun 2026	Sets the rules vendors must meet to sell generative AI to ministries; expanded beyond text generation. Ministries appoint Chief AI Officers.
AI Safety Institute (J-AISI) evaluation guides [686]	[in force]	Safety evaluation guide v1.20 on 7 Jul 2026 (adds AI-agent criteria); AI robotics safety guide 23 Jul 2026	Voluntary, but the revised Basic Plan signals potential links between AISI evaluations and government procurement. [693]
Principle Code on generative AI and intellectual property (Cabinet Office) [680]	[draft]	Draft released 26 Dec 2025; consultation closed Jan 2026	Voluntary transparency and IP-protection expectations for generative AI providers; no monetary penalties.
Act on the Protection of Personal Information (APPI) amendment [688]	[passed]	Passed by the Diet in 2026 per LegalAgent; implementing rules pending (confirm date with the Personal Information Protection Commission)	Reported to allow provision of personal data to third parties without consent for statistics or AI development, alongside new penalties.

Japan · Ecosystem and big-tech moves

- **SoftBank and OpenAI.** SB OAI Japan launched on 5 Nov 2025 as a 50:50 JV [694]. Crystal intelligence is due to roll out in Japan, exclusively, during 2026 [695]. SoftBank says staff have built about 2.5 million custom GPTs (claimed) [694]. It also claims plans to cover 2,500 internal systems and automate over 100 million workflows [696]. SoftBank announced plans to commercialise Sarashina mini on 28 Nov 2025 [696].
- **Domestic physical-AI model.** SoftBank, NEC, Honda and Sony (10%+ each) formed a new company, announced 12-13 Apr 2026 [697] [698]. Nippon Steel, Kobe Steel, MUFG, SMBC and Mizuho also invested. Preferred Networks is a partner, and the company plans to hire around 100 AI engineers [697]. On 30 Jun 2026 METI selected Noetora and other entities for domestic AI support: around JPY 390 billion in FY2026, with total government support expected to reach about JPY 1 trillion over five years [699]. Practical use is targeted for 2030 [697].
- **NTT.** tsuzumi 2 launched on 20 Oct 2025. It runs on a single GPU, on-prem or in a private cloud [700]. An update on 19 May 2026 added chart and table reading [701]. NTT reported an AI business order amount of JPY 147.8 billion for FY2025 Q3 [702].
- **Sakana AI.** Series B announced 17 Nov 2025. The company's April 2026 update claims about JPY 32 billion raised at a post-money of about JPY 432 billion (claimed). Investors include MUFG, Khosla, NEA, Google and In-Q-Tel [703].
- **Preferred Networks.** PLaMo was built under GENIAC. PLaMo Translate was chosen for the government's Gennai platform in December 2025 [704].
- **Microsoft.** JPY 1.6 trillion investment in Japan for 2026-2029 [705].
- **Nvidia and SoftBank.** "Station AI Boost" startup programme since September 2025 [705].
- **Public compute.** GENIAC has given JPY 33.9 billion across three rounds [704]. METI approved up to JPY 72.5 billion in subsidies for five cloud-compute projects: Sakura Internet, KDDI, Highreso, RUTILEA and GMO Internet Group [689] [706]. The AI-semiconductor framework provides more than JPY 10 trillion of public support over seven years through FY2030 [689] [707].

Japan · The AI services market and pricing

- **What buyers buy.** Writing, summarising and coding assistants; agent builders with RAG; sales and service AI; IT modernisation with AI [665] [708] [669].
- **Delivery.** Services-led. Big SIs and telcos bundle models, GPU cloud and integration. SB OAI Japan pairs OpenAI products with local rollout support [694]. Domestic LLMs sell as on-prem or private-cloud licences [700].
- **Cost reality.** IDC says hidden implementation costs add 50-70% on top of the headline price in Japan [709]. IDC expects AI services to reach USD 8 billion by 2030, 3.2x the 2025 level [709]. By 2027, 35% of Japanese organisations should have unified AI governance [709].
- **Private AI.** Private AI infrastructure (dedicated and edge) accounts for 20-30% of AI infrastructure usage [667].

Exhibit 2.51: Japan: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
Hidden implementation cost on top of headline AI technology price	adds 50-70% to total cost of ownership	n/a	[estimate]

Japan · Leading industries and use cases

- **Finance:** Sakana AI with MUFG and Daiwa Securities [703].
- **Manufacturing and robotics:** Noetora [699]; Japan targets ~JPY 20 trillion in global robot-market sales and domestic deployment of ~10 million AI robots by 2040 [692] [710].
- **Telecom and IT:** NTT (tsuzumi 2) and SoftBank (Sarashina, SB OAI Japan) [696] [702].
- **Public sector:** Gennai; the revised plan cites 180,000 staff using AI [685] [681].
- **Education:** Tokyo Online University plans to use tsuzumi 2 for course Q&A and materials [700].
- **Care, logistics, construction:** priority domains for the plan and the reform council [688] [691].

Exhibit 2.52: Japan: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
SoftBank Group [694]	Telecom / conglomerate	Internal roll-out of ChatGPT custom GPTs across group companies	About 2.5 million custom GPTs created internally	Claimed
Tokyo Online University [700]	Education	Selected NTT tsuzumi 2 for planned course Q&A, teaching materials, exam support and study guidance	Deployment announced; no outcome metrics	Claimed
NTT [702]	Telecom / IT services	Selling AI (incl. tsuzumi 2) to enterprises	AI business order amount of JPY 147.8 billion for FY2025 Q3	Reported
Government of Japan (Digital Agency) [681]	Public sector	Gennai government generative AI platform; PLaMo Translate selected	Target of AI access for 100,000+ officials from May 2026	Reported
MUFG / Daiwa Securities [703]	Financial services	Custom AI development and partnership with Sakana AI	Not disclosed	Claimed

Japan · Marketing, search, advertising and channels

- Verified: text tools dominate (55.0%) [671]. Young people are heavy users (91.7% of 15-19s) [670]. Japanese users see AI mainly as a "tool/machine" (38.3%), while Chinese users see it as a secretary/assistant (44.7%) or friend (39.9%) [670]. For marketers, pitch AI as a utility, not a companion.

- Language was a real brake. Microsoft says Japanese accuracy rose from about 50% (GPT-3.5 Turbo) to about 80% (GPT-4o), and links it to the usage jump [119].
- IDC sees sales and customer service as the fastest-growing AI use cases [665].
- These need a follow-up.

Japan · Opportunities

- **Transformation services, not tools.** Use is broad (86.4%) but 27.0% of firms that do not prohibit generative AI, and 45.6% of SMEs in that group, have no transformation effort [670] [671] [672].
- **SMEs.** In March 2026, only 32.4% of SMEs and 28.0% of small firms used generative AI in business operations [673] [674]. Fixed-price, packaged offers fit.
- **Sales and service AI.** IDC's fastest-growing use cases (46.2% and 42.0% CAGR) [665].
- **Governance and assurance.** Guidelines v1.2, AISI agent criteria and potential procurement links [686] [688] [693]. IDC expects 35% of organisations to have unified AI governance by 2027 [709].
- **Government as buyer.** Gennai, procurement guideline v2.0 and Chief AI Officers [686] [711] [689].
- **Inference and private AI.** Inference passes training in 2027; infrastructure services more than double by 2030 [667].
- **Physical and vertical AI.** Noetora and others (about JPY 1 trillion in expected government support over five years from FY2026) and 20 priority domains [688] [699].
- **Clear total-cost offers.** Hidden costs add 50-70% [709], so outcome-based deals stand out.

Japan · Barriers and risks

- AI use among ages 15–64 is low: 24.7% in Q2 2026 vs 40.6% in South Korea [16]. Survey and telemetry diverge, so demand is hard to size [677].
- Adoption is broad but shallow inside firms [671]. Older users lag (33.5% of 60-69s) [670].
- Thin capital: USD 1.11 billion private AI investment in 2025, 14th globally [61].
- Hidden implementation costs hurt ROI cases [709].
- Moving rules: APPI implementing rules, IP Principle Code, possible AI-law penalties, new reform council [680] [687] [688] [691].
- AI-enabled cyber risk is now a top policy worry [687].

Japan · Outlook 2026–27

- **2026:** Crystal intelligence rolls out exclusively in Japan [695]. Final vertical-AI sector roadmaps due [688].
- **FY2026:** about JPY 390 billion for Noetora and other entities [699].
- **2026-27:** APPI implementing rules; proposed IP guidance on unauthorised voice use and personality rights [688] [712].

- **2027:** inference passes training in AI servers [667]; 35% of organisations with unified AI governance [709]. Next Basic Plan revision due under the annual pledge [688].
- **2026-2029:** Microsoft's JPY 1.6 trillion investment window [705].
- **2028:** AI infrastructure spend passes non-AI infrastructure [668].
- **2029:** AI spend reaches JPY 6.89 trillion, about 20% of IT spend [665].

Notes and sources

1. MIC, 令和8年版 情報通信白書 (概要), Jul 2026 link [670]
2. MIC, 令和8年版 情報通信白書, Part 1 (generative AI use), Jul 2026 link [676]
3. innovatopia, 【解説】令和8年版情報通信白書, Jul 2026 link [671]
4. MLex, Japan's AI adoption improves, but remains behind peers, 24 Jul 2026 link [713]
5. BigGo Finance, Japan's Generative AI Usage Surges to 58.8%, 24 Jul 2026 link [714]
6. MIC, Outline of the 2025 White Paper on Information and Communications link [715]
7. IDC Japan, 国内AI市場は今後4年で約3倍に成長, 18 Mar 2026 link [665]
8. IDC Japan, 国内AIシステム市場予測を発表, 1 May 2025 link [708]
9. IDC, Sovereign AI Infrastructure Drives Japan's Shift, 8 Apr 2026 link [667]
10. IDC, Japan AI Market: Closing the Vendor-Buyer Gap, 1 Jul 2026 link [709]
11. IDC Japan, 国内ソフトウェア市場、AIが牽引する5年間の変革, 17 Jun 2026 link [675]
12. i Magazine, IDC 国内ITサービス市場予測, 10 Mar 2026 link [669]
13. IDC Japan, 2026年、日本のAIインフラ投資は8,000億円を超える, 2 Mar 2026 link [668]
14. Microsoft AI Economy Institute, Global AI Diffusion Q2 2026, Sep 2026 link [16]
15. Microsoft AI Economy Institute, Global AI Diffusion Q1 2026, May 2026 link [119]
16. Microsoft AI Economy Institute, Global AI Adoption in 2025 (H2), Jan 2026 link [17]
17. Stanford HAI, AI Index 2026, Ch. 4 Economy link [61]
18. White & Case, AI Watch: Global regulatory tracker - Japan, 13 Apr 2026 link [680]
19. AI Policy Tracker, Japan (verified 26 Sep 2026) link [679]
20. VORP Labs, July 2026 AI regulatory update: Japan link [686]
21. Cabinet Office, 初の「人工知能基本計画」を閣議決定しました, 6 Feb 2026 link [682]
22. Cabinet Office, 人工知能基本計画 page link [684]
23. Cabinet Office, 人工知能基本計画 ～日本AX～, 14 Jul 2026 link [685]
24. Kantei, AI Strategy Headquarters meeting, 19 Dec 2025 link [681]
25. ビジネス+IT, AI基本計画案とりまとめ, 19 Dec 2025 link [683]
26. HLC, Post Election Japan: AI policy updates, 16 Feb 2026 link [690]
27. Asia News Network / Yomiuri, Japan cabinet approves revision to AI basic plan, 16 Jul 2026 link [687]
28. LegalAgent, 第2期AI基本計画案とは, Jul 2026 link [688]
29. Uravation, 経産省「AI産業戦略課」新設, Aug 2026 link [692]
30. Tech Jacks Solutions, Japan Launches AI Reform Council, 7 Jul 2026 link [691]
31. Hello World Japan, How Japan Wants to Win in AI link [689]
32. Tech4Impact Summit, Japan's Sovereign AI Bet link [704]
33. SoftBank Group, SB OAI Japan JV launch, 5 Nov 2025 link [694]
34. SB OAI Japan, About link [695]
35. Light Reading, SoftBank launches JV with OpenAI, 5 Nov 2025 link [696]

36. NTT, tsuzumi 2 now available, 20 Oct 2025 link [700]
37. NTT, tsuzumi 2 updated, 19 May 2026 link [701]
38. NTT, Results for nine months to 31 Dec 2025, 5 Feb 2026 link [702]
39. Sakana AI, Announcing Our Series B, 17 Nov 2025 (updated Apr 2026) link [703]
40. Japan Today, Japan to support domestic AI development with ¥1 tril funding, 22 Dec 2025 link [716]
41. Decrypt, Japan's tech titans team up, 13 Apr 2026 link [697]
42. Let's Data Science, SoftBank and partners create Japan AI development firm, 12 Apr 2026 link [698]
43. News On Japan, METI to provide 1 trillion yen to SoftBank alliance, 2 Jul 2026 link [699]
44. Digital Today, Japan AI latecomer starts counterattack, 27 Apr 2026 link [705]
45. webtiger.jp, 生成AIの利用率 (quotes Teikoku Databank, ICT総研) link [673]
46. Pebblous, AI Usage Rankings: What Microsoft's Country Numbers Count, Sep 2026 link [677]
47. Second Talent, Top 10 Countries with Highest AI Adoption Rates in 2026 link [717]
48. Aichi Prefecture Digital Human Resources Development Support Programme, "Why some companies stall after AI adoption", 10 Sep 2026 link [672]
49. House of Councillors, "Bill on promotion of AI-related technologies", 4 Jun 2025 link [678]
50. Ministry of Finance, "Japan's economic outlook and policies", 15 Jan 2026 link [707]
51. METI, "Approval of Plans for Ensuring a Stable Supply of Cloud Programs under the Economic Security Promotion Act", 19 Apr 2024 link [706]
52. METI, "Minister Akazawa post-Cabinet press conference", 30 Jun 2026 link [710]
53. Teikoku Databank, "Corporate trends survey on generative AI (March 2026)", 14 May 2026 link [674]
54. Cabinet Office, "Japan's Second Artificial Intelligence Basic Plan", 14 Jul 2026 link [693]
55. Digital Agency, "Launch of Large-Scale Pilot Project of Government AI GENNAI targeting 180,000 Employees across all Ministries and Agencies", 6 Mar 2026 (updated 13 Mar 2026) link [711]
56. Cabinet Office, "Artificial Intelligence Basic Plan (draft)", meeting paper 1-2 link [712]
57. IDC Japan, "Domestic AI systems market forecast", 1 May 2025 link [666]

South Korea

Deep dive KOR



South Korea has posted the largest percentage-point gains in Microsoft's AI-use measure. Microsoft measured 40.6% of working-age people using generative AI in Q2 2026 (12th in the world), up about 15 points in a year, and the H2 2025 report identified Korea as the world's second-largest ChatGPT subscriber market after the US. Its AI Basic Act took effect on 22 January 2026, with fines deferred for at least a year.

40.6%
of working-age people use AI · rank 12 of 147
Microsoft AI Diffusion, Q2 2026

$1.8bn
private AI investment
Stanford AI Index 2026, 2025

97.9%
of people use the internet
World Bank [112], 2024

Key dates, 2026–27

2026-01-22	AI Basic Act takes effect
2027-01	Earliest end of the at-least-one-year grace period on AI Basic Act fines (korea.kr, 21 Jan 2026)

How AI is regulated

Comprehensive AI law in force

What to watch

- From about January 2027: AI Basic Act fines may start to apply once the grace period of at least one year ends (korea.kr, 21 Jan 2026)
- Microsoft's next diffusion updates will show whether Korea's run of the largest gain among major economies (three periods to Q2 2026) continues

South Korea · Market and adoption

- **Microsoft telemetry** (share of 15-64s using AI in the period): 25.9% in H1 2025 (25th), 30.7% in H2 2025 (18th), 37.1% in Q1 2026 (16th), 40.6% in Q2 2026 (12th) [16][119][17]. The global average is 18.8%. The US is at 33.0% (21st) [16]. Type: estimate.
- **Official survey.** MSIT and NIA's 2025 Survey on Internet Use covered 50,750 people aged 3+ in 22,671 households. 44.5% had used generative AI, up from 33.3% a year before [677]. This comes via Korean press reports of the release; the MSIT/NIA release could not be re-opened on 3 Nov 2026.
- **Why Korea jumped** (Microsoft) [17]:

- Policy: from July to November 2025 Korea "moved from high-level strategic vision to concrete, institutionalized action." It set up a National AI Strategy Committee in September 2025 and enacted the AI Basic Act.
- Skills: USD 1.2 billion to teach AI "from elementary school to the workplace", plus more AI-focused science high schools.
- Language: on a Korean CSAT benchmark, GPT-3.5 scored 16, GPT-4o 75 and GPT-5 100.
- Culture: Ghibli-style ChatGPT images went viral on Korean social media in April 2025.
- **Capital and talent.** USD 1.78 billion of private AI investment in 2025, 12th in the world, with 59 newly funded AI companies [61]. AI talent concentration is 1.05% of LinkedIn members [61].
- **Claude.** Anthropic's Economic Index (Sep 2025) puts Korea's per-capita Claude usage index at 3.73, fifth in the world [24].

South Korea · Policy and regulation

AI Basic Act

in force from 22 Jan 2026. Fines deferred for at least one year, so not before about January 2027 [717]. Confirm with MSIT.

National AI Strategy Committee

set up in September 2025 as a cross-ministry decision body [17].

Exhibit 2.53: South Korea: the rules that matter for AI

Source: Research notes and official texts for South Korea; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Framework Act on the Development of AI and Establishment of a Foundation for Trust (AI Basic Act) [717]	[in force]	2026-01-22 (fines deferred for at least one year, per secondary source)	Comprehensive AI law with binding duties and fines; fines apply after the grace period.

South Korea · Ecosystem and big-tech moves

- OpenAI: second-largest ChatGPT subscriber market in the H2 2025 report [17].
- Anthropic: Korea's per-capita Claude usage index is 3.73, fifth in the world (Sep 2025) [24].
- **Chips.** SK hynix reported Q3 2026 revenue of KRW 104.6 trillion and an 80% operating margin [69]. Samsung's chip division made KRW 106.5 trillion of operating profit on KRW 147.1 trillion of revenue [70]. Korea's October exports reached USD 115.3 billion, with chips at USD 56.4 billion, up 259%, as reported by Yonhap [100].

South Korea · The AI services market and pricing

No KRW price points sourced.

South Korea · Leading industries and use cases

South Korea · Marketing, search, advertising and channels

- Korean-language quality was the main unlock for mass use [17].

South Korea · Opportunities

- **Consumer demand is already there.** 40.6% of working-age people used generative AI in Q2 2026; the H2 2025 report identified Korea as the second-largest ChatGPT subscriber market [16] [17]. AI features in consumer products need less user education than in most markets.
- **Compliance window.** The grace period on AI Basic Act fines runs at least to about January 2027 [718]. That is time to sell compliance, labelling and governance services.
- **Active startup base.** Korea out-raised Japan in private AI capital in 2025 (USD 1.78 billion vs 1.11 billion) [61].

South Korea · Barriers and risks

- Compliance uncertainty while the AI Basic Act ramps up [717].

South Korea · Outlook 2026–27

- **From about January 2027:** AI Basic Act fines may start to apply [717].
- **Next Microsoft diffusion updates:** will show whether Korea keeps the largest gain among major economies [16].
- **Through 2030:** SK hynix says memory demand will exceed supply. This is the company's own view, not a neutral forecast [69].

Notes and sources

1. Microsoft AI Economy Institute, Global AI Diffusion Q2 2026, Sep 2026 link [16]
2. Microsoft AI Economy Institute, Global AI Diffusion Q1 2026, May 2026 link [119]
3. Microsoft AI Economy Institute, Global AI Adoption in 2025 (H2), Jan 2026 link [17]
4. The Kyunghyang Shinmun, AI usage in Korea surpasses 40% for the first time, 28 Sep 2026 link [719]
5. Seoul Economic Daily, Korea Rises to 12th in Generative AI Use, 28 Sep 2026 link [720]
6. Digital Today, South Korea ranks 12th in generative AI usage, 28 Sep 2026 link [721]
7. Stanford HAI, AI Index 2026, Ch. 4 Economy link [61]
8. Pebblous, AI Usage Rankings: What Microsoft's Country Numbers Count, Sep 2026 (quotes MSIT/NIA 2025 Survey on Internet Use) link [677]
9. Second Talent, Top 10 Countries with Highest AI Adoption Rates in 2026 link [717]
10. SK hynix, Q3 2026 business results (preliminary, unaudited), Oct 2026 link [69]
11. Samsung Electronics, third quarter 2026 results, Oct 2026 link [70]
12. The Korea Times (Yonhap), Korea's October exports hit a record on chip sales, 1 Nov 2026 link [100]
13. Anthropic, Economic Index report, 2025-09-15 link [24]
14. Korea.kr (government policy news), AI Basic Act takes effect 22 January 2026, 2026-01-21 link [718]

Part 2 · Region 08

Southeast Asia (ASEAN)

Singapore is ASEAN's AI hub and one of the most AI-saturated markets in the world. Indonesia is ASEAN's biggest AI demand pool: 230 million internet users, the fastest relative AI hiring growth of any country tracked by LinkedIn (+31.7% in 2025) and heavy creator and video commerce. Malaysia turned its data-centre boom into a national AI programme in 2026.



AI users, % of working-age people (Q2 2026)

Singapore	64.3%
Vietnam	27.9%
Malaysia	22.6%
Philippines	20.7%
Indonesia	14.8%
Thailand	13.4%
Global average (Microsoft)	18.8%

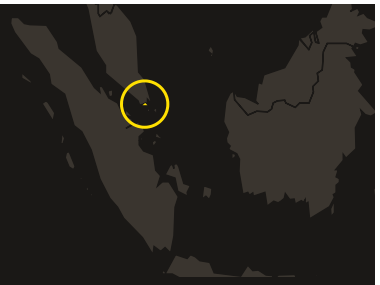
In this region

Singapore	217
Indonesia	225
Malaysia	232
Thailand	236
Vietnam	241
Philippines	246

Southeast Asia (ASEAN) · 29 of 46

Singapore

Deep dive SGP



Singapore is ASEAN's AI hub and one of the most AI-saturated markets in the world. 64.3% of working-age people used generative AI in June 2026, second only to the UAE, and 62.5% of non-SME firms used AI in 2024. The gap is SMEs: only 14.5% used AI in 2024, which is why Budget 2026 and the new EDGE grant (from 30 Sep 2026) push SME adoption hard.

64.3%
of working-age people use AI · rank 2 of 147
Microsoft AI Diffusion, Q2 2026

62.5%
of firms use AI (non-SMEs (up from 44.0% in 2023))
IMDA Singapore Digital Economy Report 20, 2024

$1.8bn
private AI investment
Stanford AI Index 2026, 2025

1.3 USD bn
AI market size, 2025
Digital in Asia consensus estimate, 2025

5.8m
internet users
DataReportal Digital 2026 Singapore, 2026

Key dates, 2026–27

2026-09-30	EDGE grant launches, consolidating EDG, MRA and PSG (S$100,000 annual cap; up to S$30,000 for...
2026-10	Anthropic expected to open its Singapore office (fifth in APAC)
2026-11 ‡	ASEAN DEFA targeted for signing at the 49th ASEAN Summit
2027	YA2027-YA2028 window for the enhanced 400% AI tax deduction under the Enterprise Innovation... [722]

‡ Source could not be re-opened on 3 Nov 2026.

How AI is regulated

Existing law and sector regulators

What to watch

- Oct 2026: Anthropic office expected to open; expect more ASEAN go-to-market teams based in Singapore.
- From 30 Sep 2026: EDGE replaces PSG, EDG and MRA. Expect vendors to repackage AI offers to the new S$30,000 digital-solution cap.
- YA2027-YA2028: 400% AI tax deduction window runs, supporting a 2027 spike in SME AI projects [722].

Singapore · Market and adoption

- **People.** 64.3% of working-age people used GenAI in June 2026, up from 60.9% in H2 2025. The global average is 18.8% (estimate) [16]. 73.8% of workers use AI tools at work (IMDA pulse survey) [723].
- **Firms.** AI use among non-SMEs rose from 44.0% in 2023 to 62.5% in 2024. Among SMEs it tripled from 4.2% to 14.5% (official) [723][724].
- **Sectors.** Info & communications leads at 35.9%, then professional services at 25.7% and finance & insurance at 22.6% [724].
- **Tools.** Of AI-using firms, 84% use off-the-shelf GenAI tools, 52% use AI-enabled software and 44% use custom tools [724]. SMEs use AI in about 3 business functions and larger firms in about 5. IT (49%) and customer service (43%) lead [724].
- **Money.** Private AI investment was US$1.82bn in 2025, 11th in the world. 49 new AI companies were funded, and the cumulative total for 2013-2025 is US$9.09bn (reported) [61]. e-Conomy SEA counts 495+ active AI startups founded since 2020. That is most of the region's 680+ [725]. EY-Parthenon is quoted as counting US$1.4bn of AI venture funding in 2025 (secondary) [726] [727].
- **Market size.** No official figure exists. Digital in Asia's consensus estimate is US$1.32bn for 2025 (estimate, secondary) [726].
- **Talent.** 4.69% of all job postings ask for AI skills, the highest share among the countries Stanford tracks. AI talent concentration is 1.82% of LinkedIn members, 2nd globally [61]. The tech workforce is 214,000 (+2.7%) [723]. The share of tech postings needing AI skills rose from 11% in 2019 to 14% in 2024 [724].
- **Economy and trust.** The digital economy was S$128.1bn, or 18.6% of GDP, in 2024 [723]. 81% trust the government to regulate AI (Ipsos 2025) [290].

Singapore · Policy and regulation

- National AI Strategy 2.0 launched in December 2023.
- Budget 2024 set aside more than S$1bn over five years for AI compute, talent and industry development [728]. That includes up to S$500m for high-performance compute and a goal to triple AI practitioners to 15,000 [728].
- A National AI R&D Plan adds more than S$1bn for 2025-2030 (announced 26 Jan 2026) [729].

Budget 2026 (12 Feb 2026) [730][731]:

- A National AI Council chaired by PM Lawrence Wong.
- National AI Missions in advanced manufacturing, connectivity and logistics, finance, and healthcare.
- A 400% tax deduction on qualifying AI spend, capped at S$50,000 a year, for YA2027-YA2028 [722].
- A "Champions of AI" programme.
- A National AI Impact Programme to support 10,000 enterprises and 100,000 workers over three years.
- A new AI cluster at one-north.

- Six months of free premium AI tools for people who finish AI training.

Governance model: voluntary, testing-led.

- AI Verify, the testing toolkit, launched in 2022. The Model AI Governance Framework was expanded to generative AI in 2024 [725].
- On 22 Jan 2026 at Davos, IMDA launched the Model AI Governance Framework for Agentic AI. It is billed as the world's first framework for AI agents. It has four parts: bound the risk up front, keep humans accountable, apply technical controls across the lifecycle, and inform end users [732].
- An update to the agentic AI governance framework followed. regulations.ai lists the date as 20 May 2026 [733]. A discussion paper on legal responsibility for AI agents followed in May 2026 [734].
- The PDPC's advisory guidelines on personal data in AI systems date from 1 Mar 2024 [728]. MAS issued an AI model risk management paper on 5 Dec 2024 [733].
- The 2024 elections amendment bans deepfakes of candidates. Social media platforms breaching election-period deepfake rules face fines of up to S$1m [735].
- The Online Safety (Relief and Accountability) Act passed on 5 Nov 2025. Its Online Safety Commission began operating on 29 Jun 2026, starting with five of the 13 harm categories; the rest will be phased in [736].
- No general AI-ad labelling law was found.
- 22 Jan 2026: agentic AI framework [732]
- 26 Jan 2026: R&D plan [729]
- 12 Feb 2026: Budget [730]
- 31 Mar 2026: DC-CFA2 deadline [737]
- May 2026: NAIS update at ATxSummit (reported) [738]
- 30 Sep 2026: EDGE launch [739]
- October 2026: Anthropic office expected to open [740]
- November 2026: DEFA signing targeted (regional)
- YA2027-2028: AI tax deduction window [722]

Exhibit 2.54: Singapore: the rules that matter for AI

Source: Research notes and official texts for Singapore; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Model AI Governance Framework for Agentic AI (IMDA) [732]	[in force]	2026-01-22	Four dimensions: bound agent risk up front, keep human accountability, apply technical controls across the lifecycle, and inform and train end users. An updated version followed (listed 20 May 2026 by regulations.ai [733]), with a discussion paper on legal responsibility for AI agents in May 2026 [734].

Law or rule	Status	Effective	What it means for business
Model AI Governance Framework for Generative AI [725]	[in force]	2024	Voluntary baseline for GenAI accountability, data, testing and content provenance; the reference point for procurement and audits.
PDPC Advisory Guidelines on Use of Personal Data in AI Recommendation and Decision Systems [728]	[in force]	2024-03-01	Explains how PDPA consent, exceptions and notification apply when training and deploying AI on personal data.
Elections (Integrity of Online Advertising) (Amendment) Act 2024 [735]	[in force]	passed 2024-10-15; applied at the May 2025 general election	Bans publishing, boosting or resharing deepfakes of election candidates during elections; social media platforms breaching these election-period rules face fines up to S$1m.
Online Safety (Relief and Accountability) Act 2025 [735]	[in force, partly]	passed 2025-11-05; Commission and statutory torts from 2026-06-29; remaining harm categories phased in [736]	New Online Safety Commission can order takedowns and account restrictions for online harms, including intimate-image abuse and impersonation.

Singapore · Ecosystem and big-tech moves

- **Anthropic** announced a Singapore office on 16 Sep 2026, expected to open in October 2026. It is the company's fifth office in APAC, with Dale Finlay as ASEAN GM. Singapore ranks 2nd of 121 markets for Claude use per head, at 5.81x the expected level (claimed) [740] [741].
- **OpenAI** opened a Singapore office in 2024. It said Singaporeans are among the top per-capita ChatGPT users and pledged up to US$1m for AI Singapore language datasets [742]. In 2026 it reportedly signed a deal worth more than S$300m, including its first Applied AI Lab outside the US and 200+ technical roles (secondary) [738] [743].
- **Microsoft** has a reported US$5.5bn commitment for 2025-2029 (secondary) [726]. **AWS** has US$9bn from 2024 [744]. More than 70 companies run AI Centres of Excellence in Singapore [738] .
- **SEA-LION**, AI Singapore's open model family, shipped v4 in August 2025 as a collection of multimodal models, with Gemma, Qwen and Apertus variants [745].
- Qwen-SEA-LION-v4 (32B) followed on 24 Nov 2025. It ranks first on SEA-HELM among open models under 200B [746].
- Nemotron-SEA-LION-v4.8-120B, last updated in September 2026, builds on an Nvidia base, with a 262k context and eight languages [747].
- The MERaLiON speech model has 90,000+ downloads [738].
- **Data centres.** Singapore has about 1GW (secondary) [744]. The DC-CFA2 call (announced 1 Dec 2025) offers at least 200MW. Bidders need at least 50% green power and a PUE below 1.3. Build cost is US$14.53 per watt, second-highest globally [737].

- **Regional HQ role.** e-Conomy SEA calls Singapore "the region's AI hub, where the majority of startups operate". Most of those startups target global markets from day one [725].

Singapore · The AI services market and pricing

What buyers buy: off-the-shelf GenAI and copilots, AI-enabled SaaS, grant-funded chatbots, hyperscaler-backed custom builds, and governance and assurance work.

Published price points:

- **SME chatbot SaaS:** S$50-150 a month for basic and S$200-500 for mid-tier (US$39-391). Usage pricing runs S$0.02-0.10 per message. Custom enterprise bots cost S$5,000-50,000+ one-off (US$3,912-39,118+) (claimed) [748].
- **Grants:** PSG covers up to 50% for pre-approved vendors [749][748]. SMEs Go Digital co-funds up to 50%, capped at S$30,000 a year [749].
- **Enterprise Compute Initiative (S$150m):** the government pays 70% of consultancy up to S$105,000, on up to S$150,000 of cost (US$117,355). Cloud credits run S$200,000 (Google), S$350,000 (AWS) and S$250,000 (Microsoft, Oracle) [750].
- **EDGE (from 30 Sep 2026):** replaces PSG, EDG and MRA. It has a S$100,000 annual cap and up to S$30,000 for digital solutions (US$23,471) [739].

Delivery models. Vendors shape offers to fit grant caps. Enterprises buy multi-month programmes backed by cloud credits. The Budget 2026 tax deduction favours small, fixed-scope AI projects of up to S$50,000 a year, with a 400% deduction on qualifying AI expenditure for YA2027-YA2028 [730].

Exhibit 2.55: Singapore: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
SME AI chatbot subscription	S$50-500 per month (basic S$50-150; mid-tier S$200-500)	US$39-391 per month at 1.2782 SGD/USD (30 Sep 2026)	Claimed
Custom enterprise AI chatbot build	S$5,000 to S$50,000+ one-off	US$3,912-39,118+ at 1.2782 SGD/USD	Claimed
Enterprise Compute Initiative AI consultancy project	Supportable cost up to S$150,000; government pays 70% (max S$105,000)	US$117,355 supportable at 1.2782 SGD/USD	[published]
EDGE grant digital solutions cap (from 30 Sep 2026)	Up to S$30,000 for digital solutions within a S$100,000 annual cap	US$23,471 at 1.2782 SGD/USD	[published]

Singapore · Leading industries and use cases

- **DBS Bank:** 430+ AI use cases and 2,000+ models delivered approximately S$1bn of economic value in FY2025 (reported) [751].
- **Grab:** 250,000+ drivers use its AI Driver Companion weekly, with earnings up to 10-20% higher. Its merchant assistant handled 6M+ queries in May 2025 (claimed) [725]. At GrabX 2026 it launched 13 AI features, including an AI Assistant and a Shopping Agent that builds carts from photos or voice notes [752]. Grab COO Alex Hungate cited AI dispatch for 90% of ride requests [731].
- **SMEs:** firms using PSG AI solutions report an average 52% cost saving, and 71% for AI cybersecurity (self-declared) [724].
- **Missions:** Advanced Manufacturing, Connectivity and Logistics, Finance and Healthcare are the Budget 2026 missions [730].

Exhibit 2.56: Singapore: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
DBS Bank [751]	Banking	Over 430 AI use cases and 2,000+ models in production	Approximately S$1bn economic value in FY2025	Reported
Grab [725]	Mobility and delivery	AI Driver Companion and Grab Merchant AI assistant	250,000+ drivers use Driver Companion weekly (earnings up to 10-20% higher); 6M+ merchant queries in May 2025	Claimed
SMEs using PSG AI solutions [724]	Cross-sector	Pre-approved AI-enabled digital solutions	Average self-declared cost saving of 52% (71% for AI cybersecurity)	Reported
Grab (GrabX 2026) [752]	Consumer platform	13 AI features incl. Grab AI Assistant and a Shopping Agent that builds carts from photos, voice notes or lists	Early Access Programme of 200,000 users	Claimed

Singapore · Marketing, search, advertising and channels

- **Online reach.** 5.78m internet users (98.4%) and 5.33m social identities (DataReportal, quoted by LeadsOff) [753].
- **Assistants.** We Are Social is quoted as saying 1 in 3 Singaporeans use ChatGPT monthly (secondary) [753].
- **AI search.** One agency blog says Google AI Overviews appear on 30-45% of searches and ChatGPT referrals are up about 340%.
- **Ad spend.** Figures conflict: US$1.07bn from the DataReportal-derived figure versus US$2.14bn from We Are Social. We leave it null [754].

- **Superapps and commerce.** Grab is the superapp channel for agentic commerce. e-Conomy SEA says superapps are the best way to distribute AI at scale [725]. Singapore GMV was projected at about US$29bn in 2025 (+7%) [755].

Singapore · Opportunities

- **SME catch-up.** 14.5% of SMEs use AI against 62.5% of non-SMEs. EDGE plus the 400% deduction cut buyers' net cost [723] [730] [739]. The deduction applies to qualifying AI spend up to S$50,000 a year for YA2027-YA2028 [730].
- **Agentic AI assurance.** The January 2026 framework is a ready audit checklist for consultancies [732].
- **Training and change management** for the 10,000-enterprise, 100,000-worker Impact Programme [730].
- **Partner work** as Anthropic, OpenAI and hyperscalers expand their Singapore bases [740] [742] [726].

Singapore · Barriers and risks

- **Scarce, costly data-centre power**, rationed with green conditions [737].
- **Tight talent market**, with the highest share of AI-skill job ads among the countries Stanford tracks [61].
- **Shallow SME use**, mostly off-the-shelf tools [724].
- **Deepfake and online-harm rules** add review steps for AI creative [735].

Singapore · Outlook 2026–27

- From October 2026, more AI labs will run ASEAN from Singapore.
- EDGE repackaging will drive a wave of S$30,000 AI offers.
- The YA2027 deduction should lift SME project volume.
- IMDA will keep iterating the agentic framework.
- The DEFA signing in November 2026 eases regional data flows for Singapore-based providers.

Notes and sources

1. IMDA, Annual Report & Singapore Digital Economy Report 2025 factsheet, 2025-10-06 link [723]
2. IMDA, Singapore Digital Economy Report 2025 (PDF), 2025-10-06 link [724]
3. Microsoft, Global AI Diffusion Q2 2026, 2026-09-21 link [16]
4. Stanford HAI, AI Index 2026, Ch. 4 Economy, 2026-04 link [61]
5. Bain, e-Conomy SEA 2025 press release, 2025-11-11 link [755]
6. Google, Temasek, Bain, e-Conomy SEA 2025 report, 2025-11-11 link [725]
7. MDDI, AI initiatives launched to uplift Singapore's economic potential, 2024-03-01 link [728]
8. Computer Weekly, Singapore to invest S$1bn in AI over five years, 2024-02 link [756]
9. Telecom Review Asia, Singapore to invest more than SGD 1 billion in National AI Research Plan, 2026-01-26 link [729]
10. EDB, What international businesses should know from Budget 2026, 2026-02 link [730]
11. Fortune, Singapore Budget 2026: Lawrence Wong, Grab, DBS, AI, 2026-02-13 link [731]

12. Baker McKenzie, Singapore: Governance Framework for Agentic AI Launched, 2026-01 link [732]
13. regulations.ai, Singapore AI Regulation Overview, 2026 link [733]
14. Digital Industry Singapore, Enterprise Compute Initiative factsheet, 2026-02-10 link [750]
15. Enterprise Singapore, EDGE grant FAQ, 2026-09 link [739]
16. grants.sg, SMEs Go Digital, 2026-02-05 link [749]
17. IMDA, Industry leaders to accelerate tech adoption including GenAI, 2025-05-27 link [757]
18. Fintech Singapore, Anthropic sets October launch for Singapore office, 2026-09-16 link [740]
19. Computer Weekly, Anthropic picks Singapore for fifth APAC office, 2026-09 link [741]
20. EDB, OpenAI establishes presence in Singapore, 2024 link [742]
21. The AI Insider, Singapore's NAIS 2.0: how a city-state builds an AI hub, 2026-07-27 link [738]
22. Indoneo, Anthropic arrives in Singapore, 2026-09 link [743]
23. AI Singapore, SEA-LION v4 documentation, 2025-08 link [745]
24. Alibaba Cloud, Qwen powers AI Singapore's latest LLM, 2025-11-24 link [746]
25. Hugging Face / AI Singapore, Nemotron-SEA-LION-v4.8-120B-A12B model card, 2026-09-18 link [747]
26. Morgan Lewis, Singapore announces data center capacity allocation call, 2026-03 link [737]
27. Withers, Deepfakes in Singapore: legal recourse and regulatory powers, 2025 link [735]
28. The Edge Singapore via Yahoo Finance, DBS says AI and data analytics generated about $1 bil, 2026-03-08 link [758]
29. Grab, Grab unveils 13 AI-powered experiences at GrabX 2026, 2026-04-08 link [752]
30. AiConvo, AI Chatbot Cost Singapore: Pricing Guide, updated 2026-07-25 link [748]
31. Digital in Asia, Singapore AI Market 2026, 2026 link [726]
32. LeadsOff, Singapore's 2026 digital landscape: 12 statistics, 2026 link [753]
33. Elite Asia, Top digital and social media trends in Singapore 2026, 2026 link [754]
34. Digital in Asia, Who is building AI data centres in Southeast Asia in 2026?, 2026-07-24 link [744]
35. ExchangeRate-API, USD rates, 2026-09-30 link [759]
36. Stanford HAI, AI Index Report 2026 (Ipsos 2025 trust data), 2026-04 link [290]
37. Ministry of Energy, Trade and Industry, "Opening Remarks by Minister of State for Trade and Industry Alvin Tan at Startups Converge 2026", 28 May 2026 link [727]
38. IMDA, "Discussion Paper: Legal Responsibility for AI Agents", May 2026 link [734]
39. Online Safety Commission, "The Online Safety Commission Begins Operations on 29 June 2026", 28 June 2026 link [736]
40. IRAS, "3 Things to Know For Corporate Income Tax Filing 2026", 2026 link [722]
41. DBS Bank, "CIO statement", Annual Report 2025 link [751]

Southeast Asia (ASEAN) · 30 of 46

Indonesia

Deep dive IDN



Indonesia is ASEAN's biggest AI demand pool: 230 million internet users, the fastest relative AI hiring growth of any country tracked by LinkedIn (+31.7% in 2025) and heavy creator and video commerce. But only 14.8% of working-age people used generative AI in June 2026, below the 18.8% global average.

14.8%
of working-age people use AI · rank 76 of 147
Microsoft AI Diffusion, Q2 2026

28%
of firms use AI (all businesses (reported as about 18 million...)
AWS / Strand Partners, 2025

$10.9bn
AI market size forecast for 2030 (Statista, quoted secondhand)
Digital in Asia, 2026

230m
internet users
DataReportal Digital 2026 Indonesia, 2026

Key dates, 2026–27

2026-04-08	GrabX 2026 held in Jakarta; 13 AI features launched for SEA
2026-06	Firmus announces 360MW AI campus on Batam for up to 170,000 Nvidia GPUs (reported, Bloomberg...
2026-11 ‡	ASEAN DEFA signing targeted (49th ASEAN Summit)
2027	First Firmus Batam phase targeted from Q1 2027 to 2028 (reported)

‡ Source could not be re-opened on 3 Nov 2026.

How AI is regulated

Guidance only, law in drafting

What to watch

- By end-2026: AI presidential regulation and 2026-2029 roadmap expected (reported); watch for risk tiers and labelling duties.
- Nov 2026: DEFA signing could ease cross-border data flows, which Indonesia's localisation rules currently limit.
- 2027: first Batam AI campus phases (Firmus) targeted, expanding local GPU supply.

Indonesia · Market and adoption

- **People online.** 230m internet users (80.5%), 180m social media identities and 331m mobile connections. About 55.8m people are still offline [760].
- **GenAI use.** 14.8% of working-age people used GenAI in Q2 2026. The trend is 11.7% in H1 2025, 12.7% in H2 2025 and 14.1% in Q1 2026 [16][17].
- **Firms.** No official statistic exists.
- AWS and Strand Partners (August 2025) found 28% of businesses using AI, about 18m firms (vendor survey, primary) [761].
- A 2024 US government brief cites Mekari research that 62% of companies "will adopt AI" (claimed) [762].

- Pertama Partners scores Indonesia 27/100 on a mid-market AI adoption index. 84% cite infrastructure as the main barrier (claimed, secondary) [763].
- **Workers.** Microsoft's 2026 Work Trend Index is quoted as putting 33% of Indonesian workers in its "Frontier Professional" group. The global figure is 16%. 85% worry about falling behind without AI (survey, secondary) [763]. Indonesian workers rank high on stressing critical thinking with AI (62%) [764].
- **Students and public mood.** 95% of Indonesian university students used GenAI for study in 2025, up from 53% in 2023. That is the highest of 15 countries surveyed (Chegg via the AI Index education chapter) [290]. 76% trust the government to regulate AI responsibly (Ipsos via the public-opinion chapter) [765].
- **Talent.** Indonesia had the highest relative AI hiring growth of any country tracked in 2025, at 31.7%. Its AI talent concentration grew 108% from 2019 to 2025 (LinkedIn via AI Index) [61].
- **Startups and money.** e-Conomy SEA counts 45+ active AI startups [725]. Indonesia is not in the AI Index top-15 for private AI investment, so no figure is given [61]. One analysis lists US$7.4bn of committed AI investment [766].
- **Market size.** Statista is quoted at US$10.88bn by 2030, with 28.7% annual growth (forecast, secondary) [763]. Kearney estimates AI could add US$366bn to GDP by 2030 (claimed) [762].

Indonesia · Policy and regulation

Strategy. Indonesia has had a national AI strategy, Stranas KA 2020-2045, since 2020. KORIKA coordinates it [767]. Its five priorities are health, bureaucratic reform, education and research, food security, and mobility and smart cities [768].

- Kominfo Circular Letter No. 9 of 2023 on AI ethics, dated 19 Dec 2023 [762].
- OJK's responsible and trustworthy AI guidelines for fintech, launched November 2023 [762].
- Law No. 27 of 2022 on Personal Data Protection. It was enacted on 17 Oct 2022 and reached full implementation in October 2024 [769][770]. A 2024 Constitutional Court decision (No. 151/PUU-XXII/2024) adjusted wording in Article 53 [770].
- Reuters reported on 22 Jul 2025 that Komdigi was preparing a national AI roadmap to attract foreign investment [768]. A US government guide (November 2025) said it was targeted for 2025 [769].
- e-Conomy SEA (November 2025) says a presidential regulation with cross-sector AI ethics guidelines is being drafted [725].
- Digital in Asia cites Reuters (June 2026). It says a "National AI Roadmap 2026-2029" was drafted but not enacted by mid-2026 and targets a 12% GDP boost (about US$366bn) by 2030. It also cites Tech for Good Institute: the AI regulation would use risk classes loosely modelled on the EU AI Act, with enactment expected by end-2026 [763].

Sovereign AI fund. Reuters reported in August 2025 that Indonesia was eyeing a "sovereign AI fund" [771]. Digital in Asia says Danantara would manage it and that it was still in draft in July 2026 (secondary) [763]. Danantara itself launched on 24 Feb 2025 with IDR 320tn (US$20bn) of initial funding. Its projected assets exceed US$900bn [772].

Data localisation. Indonesia requires certain "high-impact data" to be stored in-country. That pushes local data-centre builds [725].

- 8 Apr 2026: GrabX 2026 in Jakarta [752]
- June 2026: Firmus announces its Batam AI campus (reported) [763]
- End-2026: AI regulation and 2026-2029 roadmap expected (reported) [763]
- November 2026: DEFA signing targeted (regional)
- Q1 2027 to 2028: first Batam phases (reported) [763]

Exhibit 2.57: Indonesia: the rules that matter for AI

Source: Research notes and official texts for Indonesia; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Law No. 27 of 2022 on Personal Data Protection (UU PDP) [770]	[in force]	enacted 2022-10-17; full implementation from Oct 2024 (the BPK page could not be re-opened)	Consent, data-subject rights, cross-border transfer rules and administrative fines apply to AI training and personalisation. A 2024 Constitutional Court ruling (No. 151/PUU-XXII/2024) adjusted wording in Article 53(1)(b).
Komdigi (then Kominfo) Circular Letter No. 9 of 2023 on AI Ethics [762]	[in force]	2023-12-19	Ethical principles (inclusivity, security, transparency, accountability, PDP) for AI providers; no penalties.
OJK guidelines on responsible and trustworthy AI in fintech [762]	[in force]	launched Nov 2023	Sets expectations for fintech AI governance, explainability and consumer protection.
Presidential regulation on AI and national AI roadmap [763]	[draft]	enactment expected end-2026 (reported)	Reported as a risk-classification system loosely modelled on the EU AI Act (Tech for Good Institute via Digital in Asia). Not yet verified in an official text.

Indonesia · Ecosystem and big-tech moves

- **Sahabat-AI.** Indosat and GoTo launched it on 14 Nov 2024 [773].
- The first 8B and 9B models were built on AI Singapore's SEA-LION [774].
- Llama-Sahabat-AI-v2-70B-IT followed on 30 May 2025. It covers Indonesian, Javanese, Sundanese, Batak Toba and Balinese, with a 128k context [775].
- GoTo says earlier versions passed 35,000 Hugging Face downloads (company claim) [776].
- **Microsoft** pledged US$1.7bn for AI and cloud on 30 Apr 2024 [777].
- **Other reported moves (all secondary)** [763]:
- Nvidia and Indosat: a US$200m AI centre in Surakarta.
- Tencent: US$500m.

- Indosat's Lintasarta: runs a "GPU Merdeka" sovereign AI cloud.
- Indosat and Nokia: began a national AI-RAN rollout in June 2026.
- **Data centres (reported, secondary).**
- Firmus plans a 360MW Batam AI campus for up to 170,000 Nvidia GPUs. Firmus was valued at US$5.5bn after a US$505m round in April 2026 [763].
- BDx is building a 500MW campus in West Java [744].
- Jakarta Post data quoted by Digital in Asia put operating capacity at 580MW, with a 1.3GW pipeline worth US$15-20bn [763].
- **TikTok and Tokopedia.** TikTok (ByteDance) took 75% of Tokopedia for US$1.5bn, announced 11 Dec 2023. GoTo kept 25% [778].
- **Grab** held GrabX 2026 in Jakarta and launched 13 AI features for the region [752].

Indonesia · The AI services market and pricing

What buyers buy: cheap AI customer-service bots for MSMEs, AI inside platforms (Grab, Tokopedia, Shopee), telco GPU cloud, and fintech fraud and credit AI.

Published MSME price points (Nadi) [779]:

- Rp20,000 per day for 190 AI chats (US$1.11).
- Rp101,000 per week for 960 chats (US$5.63).
- Rp250,000 per month for 2,350 chats (US$13.93).
- No setup fee, paid by QRIS. The vendor compares this with Rp3-4m a month for a human CS staffer.

Local AI firms named: Kata.ai (conversational AI) and Feedloop AI [763].

Delivery models: micro-subscriptions for MSMEs, AI features bundled by platforms, and enterprise projects through hyperscaler and telco partners.

Exhibit 2.58: Indonesia: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
MSME AI customer-service chatbot, monthly plan	Rp250,000 per month (2,350 AI chats)	US$13.93 at 17,949 IDR/USD (30 Sep 2026)	[published]
MSME AI chatbot, weekly plan	Rp101,000 per week (960 AI chats)	US$5.63 at 17,949 IDR/USD	[published]
MSME AI chatbot, daily pass	Rp20,000 per day (190 AI chats); vendor contrasts with Rp3-4m monthly cost of a CS staffer	US$1.11 at 17,949 IDR/USD	[published]

Indonesia · Leading industries and use cases

- **Food delivery (Grab Indonesia).** GrabFood merchants interacted with Grab's AI assistant, generating 1,083,425 messages in under five months, with 96.1% user satisfaction (claimed) [780].
- 59.2% of new merchants who joined from January 2026 used it by May.
- Repeat use reached 89.9% among long-tail merchants and 97.2% among mid-market merchants.
- Users got 11% better ad-promotion efficiency.
- Jakarta alone had 213,000+ active merchants.
- **E-commerce and social commerce.** Video commerce is about 25% of SEA e-commerce GMV [725]. Indonesia's ad reach includes TikTok at 180m adults (88.9% of adults), YouTube 151m, Facebook 121m and Instagram 108m [760]. Shopee reportedly cut about 8% of its global developer workforce in June 2026 amid its AI push [781].
- **Financial services.** OJK guidance frames fintech AI for fraud and credit [762].
- **Telecom and data centres.** Localisation rules and GPU demand drive this sector [725] [763].

Exhibit 2.59: Indonesia: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Grab Indonesia [780]	Food delivery	AI assistant for GrabFood merchants	Merchant interactions generated 1,083,425 messages in under five months; 96.1% user satisfaction; 59.2% of new merchants since Jan 2026 used it by May; 11% better ad-promotion efficiency	Claimed
GoTo and Indosat (with AI Singapore) [775]	AI models	Llama-Sahabat-AI-v2-70B-IT released on Hugging Face	Open 70B model for five Indonesian languages, 128k context	Reported

Indonesia · Marketing, search, advertising and channels

- **AI search.** Google AI Mode added Indonesian in 2025 [782].
- **AI and shopping.** Across SEA, 62% of consumers say AI features influenced a purchase, and 30% find new brands through AI [725]. For brands this means product data and creator content must be readable by AI recommenders and search.
- **Superapps.** Grab and Gojek put AI assistants in front of millions of merchants and drivers [780] [752].
- **Languages.** Indonesia has over 700 living languages [725]. Sahabat-AI covers five of them [775].

Indonesia · Opportunities

- **MSME AI at micro-prices.** Chatbots at Rp20,000 a day can reach millions of sellers through QRIS and marketplace bundles [779].
- **Local-language AI** for service, content and voice, built on Sahabat-AI or SEA-LION [775].
- **Services around new capacity**, such as MLOps and GPU resale, as Batam and Jakarta come online from 2027 [763].
- **Compliance** for UU PDP and the coming risk-based AI rules [770] [763].
- **Training and staffing** to match the fastest AI hiring growth of any country LinkedIn tracks [61].

Indonesia · Barriers and risks

- **Low diffusion:** 14.8% versus 18.8% globally [16].
- **Draft rules** and an unclear PDP agency status [769] [763].
- **Short on chips, compute and senior talent**, in one academic's words (reported, secondary) [763].
- **A weak rupiah** (17,949 per USD on 30 Sep 2026) raises the cost of USD-priced tools and GPUs [759].
- **Platform concentration:** TikTok, Grab/Gojek and Shopee control distribution.

Indonesia · Outlook 2026–27

- The AI regulation and roadmap are expected by end-2026. Watch for risk tiers and labelling.
- The DEFA signing in November 2026 may ease the data-flow limits set by localisation rules.
- Batam GPU capacity should arrive from 2027.
- The Danantara-managed AI fund may move from draft to deployment.
- Expect more merchant AI agents on Grab, GoTo and TikTok Shop.

Notes and sources

1. Microsoft, Global AI Diffusion Q2 2026, 2026-09-21 link [16]
2. Microsoft, Global AI Adoption in 2025 (H2 2025), 2026-01 link [17]
3. DataReportal, Digital 2026: Indonesia, 2025-11 link [760]
4. Stanford HAI, AI Index 2026, Ch. 4 Economy, 2026-04 link [61]
5. Stanford HAI, AI Index Report 2026 (Chegg and Ipsos data), 2026-04 link [290]
6. Google, Temasek, Bain, e-Conomy SEA 2025 report, 2025-11-11 link [725]
7. Wikipedia, Artificial intelligence in Indonesia (cites Reuters 2025-07-22, 2025-08-11, 2024-11-14; AP 2024-04-30), 2026 link [768]
8. US International Trade Administration, Indonesia Country Commercial Guide: Digital Economy, 2025-11-17 link [769]
9. US International Trade Administration, Indonesia Artificial Intelligence, 2024-03-15 link [762]
10. BPK RI, UU No. 27 Tahun 2022 tentang Pelindungan Data Pribadi, 2022-10-17 link [770]
11. KORIKA, Strategi Nasional Kecerdasan Artifisial Indonesia 2020-2045, 2024-07-14 link [767]
12. Wikipedia, Danantara, 2026 link [772]
13. Hugging Face / GoTo, Llama-Sahabat-AI-v2-70B-IT model card, 2025-05-30 link [775]
14. Wikipedia, Tokopedia, 2026 link [778]

15. Marketing-Interactive, Grab's AI assistant surpasses 1m merchant interactions in under five months, 2026-07-06 link [780]
16. Grab, Grab unveils 13 AI-powered experiences at GrabX 2026, 2026-04-08 link [752]
17. Digital in Asia, Indonesia AI Market: A Complete 2026 Overview, 2026-09-06 link [763]
18. Digital in Asia, Who is building AI data centres in Southeast Asia in 2026?, 2026-07-24 link [744]
19. Nadi, pricing page, 2026-09 link [779]
20. The Reporter Asia, Microsoft 2026 Work Trend Index, 2026-08-04 link [764]
21. Search Engine Roundtable, Google AI Mode now works in Hindi, Indonesian, Japanese, Korean and Portuguese, 2025 link [782]
22. East Asia Forum, Making Southeast Asia's AI numbers stack up, 2025-10-28 link [766]
23. Wikipedia, Shopee, 2026 link [783]
24. ExchangeRate-API, USD rates, 2026-09-30 link [759]
25. AWS, "New AWS Research shows strong AI adoption momentum in Indonesia", 7 Aug 2025 link [761]
26. Stanford HAI, "AI Index Report 2026: Public Opinion", 2026 link [765]
27. AI Singapore, "SEA-LION Foundation Family" link [774]
28. GoTo, "Sahabat-AI Gets Smarter: Indosat and GoTo Launch New 70 Billion Parameter Model with Multilingual Chat Service", 2 Jun 2025 link [776]
29. Bloomberg via The Business Times, "Shopee cuts hundreds of developer jobs globally during pivot to AI", 10 Jun 2026 link [781]
30. GoTo, "GoTo Launches Sahabat-AI, Enhancing its Leadership in Indonesia's Technology Sector", 15 Nov 2024 link [773]
31. Reuters via Kontan, "Indonesia Eyes 'Sovereign AI fund' to Drive Development, Document Shows", 12 Aug 2025 link [771]
32. Microsoft, "Microsoft announces US$1.7 billion investment to advance Indonesia's cloud and AI ambitions", 30 Apr 2024 link [777]

Southeast Asia (ASEAN) · 31 of 46

Malaysia

Country profile MYS



Malaysia turned its data-centre boom into a national AI programme in 2026. On 28 Jul 2026 the PM launched AI Malaysia Berhad (the institutionalised National AI Office), the National AI Action Plan 2026-2030 and an AI Safety Institute, and said a risk-based AI Governance Bill is being drafted for completion by end-2026.

22.6%
of working-age people use AI · rank 51 of 147
Microsoft AI Diffusion, Q2 2026

35.4m
internet users
DataReportal Digital 2026 Malaysia, 2026

Key dates, 2026–27

2026-09-11	Inaugural AI Malaysia board announced (chair: Aireen Omar) [784]
2026-11 ‡	ASEAN DEFA signing targeted
2026-12	Target to complete drafting of the AI Governance Bill
2028	Target: 30% of large listed companies adopt emerging-tech governance best practice

‡ Source could not be re-opened on 3 Nov 2026.

How AI is regulated

Guidance only, law in drafting

What to watch

- Dec 2026: AI Governance Bill drafting to complete; tabling in 2027 possible.
- 2026-27: AI Safety Institute starts evaluations and red-teaming.
- 2026-27: National AI Compute Pool and priority datasets roll out under the action plan.

Malaysia · Market and adoption

- **People online.** 35.4m internet users (98.0%) and 30.7m social identities [785].
- **GenAI use.** 22.6% of working-age people used GenAI in June 2026, up from 19.7% in H2 2025 (estimate) [16] [17].
- **Firms.** No official business AI adoption figure was found. MSMEs are 84.4% of businesses. The action plan says that among MSMEs awareness is high but adoption is limited by talent, cost and "where to start" [786].
- **Students and public mood.** 90% of university students used GenAI for study in 2025, up from 49% (Chegg via AI Index) [290]. 73% trust the government to regulate AI [290].

- **Startups and investment.** 60+ active AI startups [725]. One analysis lists US$23.2bn of committed AI investment, the most in the region [766].

Malaysia · Policy and regulation

AI Nation 2030 (the National AI Action Plan 2026-2030) [786]:

- **2030 targets:** a Top 10 place in recognised global AI indices, up to +1.2 percentage points of GDP growth from AI, and up to 300,000 AI-attributable jobs.
- **Structure:** 14 sectoral "Impact Engines" and 14 enabling initiatives under five pillars. The pillars are talent, market-led innovation, data and compute, responsible governance, and funding.
- **Governance proposals:** a central AI governance authority, an AI Trust Function for testing and red-teaming, a National AI Classification for "Made-by-Malaysia AI", and board-level AI disclosure.
- **Board adoption target:** 30% of large listed companies adopt emerging-tech governance best practice by 2028, and 50% by 2030.

Rules today. The voluntary National Guidelines on AI Governance and Ethics (AIGE, MOSTI, 2024) provide guidance, and an AI Code of Ethics (AICE) applies [786] [787] [788].

AI Governance Bill. The Ministry of Digital says it is risk-based, went out for public consultation and is targeted for completion by end-2026 [789].

- 28 Jul 2026: AI Malaysia, the action plan and the AI Safety Institute launched [789]
- 11 Sep 2026: first AI Malaysia board named, chaired by Aireen Omar [784]
- December 2026: bill drafting due to finish [789]
- November 2026: DEFA signing targeted (regional)
- 2028: board-governance target [786]

Exhibit 2.60: Malaysia: the rules that matter for AI

Source: Research notes and official texts for Malaysia; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
AI Governance Bill (RUU Tadbir Urus AI) [789]	[draft]	drafting targeted for completion by end-2026	Risk-based primary legislation, open for public consultation in Jul 2026. Expect obligations scaled to risk and a central AI governance authority.
National Guidelines on AI Governance and Ethics (AIGE), MOSTI [788]	[in force]	2024	Voluntary principles referenced by the 2026 action plan as the governance baseline.
AI Code of Ethics (AICE) [787]	[in force]	published by AI Malaysia (date not shown)	Ethics code for adopters; complements AIGE.

Malaysia · Ecosystem and big-tech moves

- **Johor data centres.** e-Conomy SEA notes cloud providers turning "notably" to Malaysia [725]. Reported names include Google (US$2bn, first Malaysian data centre, 2024), YTL's Nvidia-backed AI campus, AirTrunk and Microsoft land for a planned region (secondary) [744]. ITA flags energy and water concerns [790].
- **Local AI.**
- ILMU is cited as Malaysia's sovereign model (secondary) [791].
- Mesolitica publishes open Malaysian-language models [792].
- MY AI NEXUS (2024) promotes AI study, research and the creation of AI faculties [790].
- **Search.** Google AI Mode reached Malaysia in August 2025; Malay support was reported on 8 Oct 2025, with rollout expected over the following week [793].

Malaysia · The AI services market and pricing

What buyers buy: data-centre and GPU capacity, modular AI tools for MSMEs through MDEC's Business Digitalisation Initiative, public-sector AI, and board-level AI governance support [786].

Delivery models: government-led Impact Engines with SaaS and platform partners, hyperscaler projects, and data-centre leasing.

Malaysia · Leading industries and use cases

The action plan sets targets, not results. Treat these as claims:

- **Manufacturing** (24% of GDP per the plan) as a testbed for AI.
- **Healthcare:** 16-40% productivity gains for radiologists.
- **Public services:** up to 45% higher citizen satisfaction and 20-30% lower delivery costs.
- **Agriculture:** up to 70% reductions in selected losses, as described in the plan.

Data centres lead on actual investment [786] [744].

Exhibit 2.61: Malaysia: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Government of Malaysia (AI Nation 2030) [786]	Public sector	AI-augmented public services	Targets: up to 45% higher citizen satisfaction; 20-30% lower delivery costs (targets, not results)	Claimed

Malaysia · Marketing, search, advertising and channels

- **Search.** AI Mode is available in Malay [793]. Grab is the main superapp.
- **Languages.** Malaysia is a four-language market: Malay, English, Chinese and Tamil. SEA-LION covers Malay and Tamil [792].

Malaysia · Opportunities

- **AI Governance Bill readiness:** risk mapping, documentation and model testing [789].
- **Board-level AI governance advisory**, with the 2028 target [786].
- **MSME AI kits** through MDEC programmes [786].
- **Managed AI services** around Johor capacity [744].

Malaysia · Barriers and risks

- **Energy and water limits** on data centres [790].
- **Talent depth and private investment gaps**, which the plan itself admits [786].
- **Binding rules are coming**, with enforcement dates unknown [789].
- **Thin official adoption data.**

Malaysia · Outlook 2026–27

- The bill draft is due by December 2026, with tabling possible in 2027.
- The AI Safety Institute will start evaluations.
- A national compute pool and priority datasets should roll out.
- The DEFA signing in November 2026 supports Johor-Singapore data flows.

Notes and sources

1. Ministry of Digital Malaysia, Siaran Media: AI Malaysia, Pemacu Utama Menuju Negara AI 2030, 2026-07-28 link [789]
2. AI Malaysia / Ministry of Digital, AI Nation 2030: National AI Action Plan 2026-2030, 2026-08 link [786]
3. Ministry of Digital Malaysia, Inaugural Board of Directors of AI Malaysia Berhad, 2026-09-11 link [794]
4. AI Malaysia Berhad, homepage, 2026-09 link [787]
5. Microsoft, Global AI Diffusion Q2 2026, 2026-09-21 link [16]
6. DataReportal, Digital 2026: Malaysia, 2025-11 link [785]
7. Google, Temasek, Bain, e-Conomy SEA 2025 report, 2025-11-11 link [725]
8. Digital in Asia, Who is building AI data centres in Southeast Asia in 2026?, 2026-07-24 link [744]
9. US International Trade Administration, Malaysia Country Commercial Guide: Digital Economy, 2026-06-25 link [790]
10. US International Trade Administration, Malaysia Artificial Intelligence, 2025-04-22 link [795]
11. Lowyat.NET, Google expands AI Mode; Malay now supported, 2025-10-08 link [793]
12. Stanford HAI, AI Index Report 2026, 2026-04 link [290]
13. East Asia Forum, Making Southeast Asia's AI numbers stack up, 2025-10-28 link [766]
14. Hugging Face, Mesolitica models, 2025 link [792]
15. Digital in Asia, AI Ecosystem Asia 2026 executive summary, 2026-03 link [791]
16. BusinessWorld, Technology section (headline: Alibaba Cloud announces new data centers in Malaysia, the Philippines), 2026-09 link [796]
17. Microsoft, "Global AI Adoption in 2025: A Widening Digital Divide", Jan 2026 link [17]
18. MOSTI / MASTIC, "Majlis Peluncuran Garis Panduan Tadbir Urus & Etika Kecerdasan Buatan Negara", 20 Sep 2024 link [788]
19. Ministry of Digital Malaysia, "Announcement Of The Inaugural Board Of Directors Of AI Malaysia Berhad", 11 Sep 2026 link [784]

Southeast Asia (ASEAN) · 32 of 46

Thailand

Country profile THA



Thailand has low average AI use but fast growth and very engaged power users. Only 13.4% of working-age people used generative AI in June 2026, up from 9.1% in H1 2025, and 32% of surveyed Thai information workers are 'Frontier Professionals' (16% globally).

13.4%
of working-age people use AI · rank 83 of 147
Microsoft AI Diffusion, Q2 2026

17.8%
of firms use AI (Thai businesses surveyed (15.2% in 2023))
AI Governance Centre AI Readiness Measur, 2024

0.3 USD bn
AI market size, 2025 (forecast)
Statista via US International Trade Administration, 2025

67.8m
internet users
DataReportal Digital 2026 Thailand, 2026

Key dates, 2026–27

2026-03	Microsoft commits US$1bn to Thailand for 2026-2028 (restated at AI Tour Bangkok, 9 Jun 2026)
2026-07-02	ETDA draft AI Act published for roughly 30-day consultation (reported)
2026-11 ‡	ASEAN DEFA signing targeted
2027	National AI Strategy and Action Plan 2022-2027 ends; no successor plan announced yet

‡ Source could not be re-opened on 3 Nov 2026.

How AI is regulated

Guidance only, law in drafting

What to watch

- 2026-27: draft AI law moves through cabinet and parliament; labelling duties likely to affect ads.
- 2026-2028: Microsoft's US$1bn programme plus Google and AWS regions increase local AI capacity.
- 2027: a new national AI plan should follow the 2022-2027 strategy.

Thailand · Market and adoption

- **People online.** 67.8m internet users (94.7%) and 56.6m social identities [797].
- **GenAI use.** 13.4% in June 2026, up from 9.1% in H1 2025 and 12.4% in Q1 2026 [16][17]. Growth from H1 2025 to Q1 2026 (36%) was second only to South Korea, Microsoft said in June 2026, as reported by The Nation [798]. On Q2 2026 data (+47%) it is third, behind South Korea and Japan [16][17].
- **Workers.** 85% fear falling behind without AI (global: 65%) [764].

- **Firms.** A readiness survey is quoted as finding 17.8% of Thai businesses using AI in 2024, up from 15.2% in 2023 (survey, secondary) [799]. NECTEC's AI Readiness Assessment 2026 surveyed 574 public and private organisations across 10 target industry groups, but its headline figures were not visible [800].
- **Market size.** The GenAI market was expected to reach US$312m in 2025, forecast to reach US$1.8bn by 2030 at 41.5% CAGR (Statista, as cited by ITA) [801]. ITA also cites a Salesforce projection of US$6.4bn by 2031 (forecast) [802].
- **Investment and trust.** One analysis lists US$8.4bn of committed AI investment [766]. 70% trust the government to regulate AI [290]. e-Conomy SEA counts 20+ active AI startups [725].

Thailand · Policy and regulation

- **Strategy.** The National AI Strategy and Action Plan 2022-2027 guides policy [801][803]. The 2023 budget put about US$216m into AI across 68 agencies [801].
- **Thai-language AI.** NECTEC/NSTDA and NRCT held a 2026 bootcamp for 24 public and private organisations to develop retrieval applications using Thai LLMs [803][804].
- **Draft AI law.** ITA (April 2026) said the draft AI Business Law had no completion timeline [801]. Digital in Asia, citing LexBangkok, reports that ETDA unveiled a draft AI Act on 2 Jul 2026 for roughly 30 days of consultation (secondary) [799]. The reported draft has:
- Risk tiers: prohibited, high-risk and designated.
- Mandatory labelling of AI content.
- Extraterritorial reach.
- Fines of THB 1-5m.
- **Data rules.** e-Conomy SEA notes Thailand's in-country storage rule for "high-impact data" [725].
- 21 Jan 2026: Google Cloud Bangkok region (reported) [799]
- Mar 2026: Microsoft US$1bn for 2026-2028, restated on 9 Jun 2026 [805]
- 2 Jul 2026: draft AI Act consultation (reported) [799]
- November 2026: DEFA signing
- 2027: the current AI plan ends [803]

Exhibit 2.62: Thailand: the rules that matter for AI

Source: Research notes and official texts for Thailand; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Draft AI law (ETDA 'AI Act' / AI Business Law) [799]	[draft]	draft unveiled 2026-07-02 for roughly 30-day consultation (reported)	Reported risk tiers (prohibited, high-risk, designated), mandatory labelling of AI content, extraterritorial reach and fines of THB 1-5m (LexBangkok via Digital in Asia). ITA (Apr 2026) described the AI Business Law as having no completion timeline.

Law or rule	Status	Effective	What it means for business
Personal Data Protection Act B.E. 2562 (2019) [806]	[in force]	†	Consent and data-subject rules for AI training and personalisation.

Thailand · Ecosystem and big-tech moves

- **Microsoft** will invest US$1bn in 2026-2028 in AI and cloud, digital sovereignty and skills. Its Microsoft Elevate programme trained 780,000+ learners in ten months (claimed) [805].
- **Other reported moves (secondary)** [799] [744]:
- Google: US$1bn and a Bangkok region.
- AWS: US$5bn, with its region live since January 2025.
- ByteDance: US$8.8bn.
- Board of Investment: approved THB 521.2bn (US$16.13bn) for 28 data-centre projects in H1 2025.
- **Local models.** SCB 10X's Typhoon family is open on Hugging Face. Typhoon2.5-Qwen3-30B-A3B has 2,295 downloads last month on Hugging Face [807] [808].

Thailand · The AI services market and pricing

What buyers buy: enterprise copilots, document AI, contact-centre QA, AI-made ad creative, and cloud.

Pricing. No published Thai AI service price was verified.

Agency tracking. Media agencies now report an "AI, MarTech tools & services" line to DAAT [809]. AI tooling is being bundled into agency fees.

Thailand · Leading industries and use cases

- **SCGC (chemicals):** processed 2m+ document pages, saved 4,000+ hours and cut analysis time by 80% (claimed by Microsoft).
- **AutoX (lending):** monitors 100% of contact-centre calls, against 5-10% manual sampling before (claimed by Microsoft).
- **LH Bank:** runs a Thai, English and Mandarin voice banking assistant (claimed by Microsoft).
- **SCBX:** trained more than 15,171 staff in AI (claimed by Microsoft).

Financial services, healthcare, manufacturing and retail take over 60% of AI investment (Ministry of DES via ITA) [802].

Exhibit 2.63: Thailand: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
SCGC [805]	Chemicals	AI document processing	2m+ pages processed, 4,000+ hours saved, analysis time cut 80%	Claimed
AutoX [805]	Consumer lending	AI monitoring of contact-centre calls and a 24/7 coaching agent	100% of calls monitored versus 5-10% manual sampling	Claimed
LH Bank [805]	Banking	Voice banking assistant in Thai, English and Mandarin	Deployed (no metric published)	Claimed

Thailand · Marketing, search, advertising and channels

- **Total digital ad spend (DAAT 2025 forecast, mid-year 2025):** THB 33.105bn, +5%. The forecast was cut from 10%. The 2024 actual was THB 31.544bn.
- **By platform:**
- Meta: THB 8.451bn.
- TikTok: THB 6.776bn. Its share rose from 13% to 20%, making it the second-largest platform.
- YouTube: THB 4.397bn.
- LINE: THB 1.723bn, up from 1.539bn.
- E-commerce platforms: THB 1.133bn forecast for 2025, up from 0.826bn in 2024.
- **AI search.** Google AI Mode's Thai support was reported on 8 Oct 2025, with rollout over the following week [793]. Google data quoted by Digital in Asia says 87% of Thai Gemini prompts are written in Thai [799].

Thailand · Opportunities

Lift the average user

with SME packages, for example AIS "AI Ready for SMEs" [805].

AI creative

for TikTok, LINE and retail media [809].

AI Act readiness

for labelling and risk tiers [799].

Document and contact-centre AI

in conglomerates [805].

Thailand · Barriers and risks

- **Macro drag** on ad budgets [809].
- **Low diffusion** and a reported AI talent shortage [16] [799].
- **Legal uncertainty** until the AI Act passes.
- **Change fatigue:** 85% fear falling behind [764].

Thailand · Outlook 2026–27

- The AI Act moves through cabinet and parliament.
- The Microsoft, Google and AWS capacity comes online.

- A successor to the 2022-2027 AI plan is due.
- DAAT's next releases will show whether TikTok and AI tools keep gaining share.

Notes and sources

1. Microsoft, Global AI Diffusion Q2 2026, 2026-09-21 link [16]
2. The Nation, Thailand ranks second globally for AI adoption growth, Microsoft says, 2026-06-09 link [798]
3. Microsoft Source Asia, Microsoft brings AI Tour to Bangkok, 2026-06-09 link [805]
4. The Reporter Asia, Microsoft 2026 Work Trend Index: Thailand leads, 2026-08-04 link [764]
5. DataReportal, Digital 2026: Thailand, 2025-11 link [797]
6. DAAT / Kantar, Digital Advertising Spend Mid-Year 2025 press report, 2025-09 link [809]
7. US International Trade Administration, Thailand Country Commercial Guide: Digital Economy, 2026-04-10 link [801]
8. US International Trade Administration, Thailand Artificial Intelligence, 2026 link [802]
9. Digital in Asia, Thailand AI Market 2026, 2026-09 link [799]
10. NECTEC / ai.in.th, Thailand AI Readiness Assessment 2026, 2026 link [800]
11. ai.in.th, Thailand National AI Strategy portal, 2026 link [803]
12. Digital in Asia, Who is building AI data centres in Southeast Asia in 2026?, 2026-07-24 link [744]
13. Google, Temasek, Bain, e-Conomy SEA 2025 report, 2025-11-11 link [725]
14. Hugging Face, typhoon-ai models, 2026 link [807]
15. Lowyat.NET, Google expands AI Mode with more languages, 2025-10-08 link [793]
16. Stanford HAI, AI Index Report 2026, 2026-04 link [290]
17. East Asia Forum, Making Southeast Asia's AI numbers stack up, 2025-10-28 link [766]
18. NECTEC / NSTDA and NRCT, "Bootcamp: developing retrieval systems using Thai LLMs", 26 Jan 2026 link [804]
19. Hugging Face, "typhoon-ai/typhoon2.5-qwen3-30b-a3b" link [808]
20. Microsoft, "Global AI Adoption in 2025: A Widening Digital Divide", Jan 2026 link [17]

Southeast Asia (ASEAN) · 33 of 46

Vietnam

Country profile VNM



Vietnam is ASEAN's fastest mover on hard AI law and the region's number two in consumer AI use. Its standalone Law on Artificial Intelligence (No. 134/2025/QH15) took effect on 1 Mar 2026, with risk tiers, AI-content labelling and a sandbox. 27.9% of working-age people used generative AI in June 2026, well above the global 18.8%.

27.9%
of working-age people use AI · rank 33 of 147
Microsoft AI Diffusion, Q2 2026

18%
of firms use AI (all businesses; vendor-commissioned. A 2026...)
AWS, 2025

0.9 USD bn
AI market size, 2025
Statista as cited by Digital in Asia, 2025

85.6m
internet users
DataReportal Digital 2026 Vietnam, 2026

Key dates, 2026–27

2026-08	National AI Strategy and AI human-resources programme approved
2026-08-27	Qualcomm CEO says Vietnam will become Qualcomm's third-largest AI R&D centre (a company plan, claimed)
2027-03	12-month transition for existing AI systems ends (general sectors), per AI Law transition rules
2027-09	18-month transition ends for AI systems in healthcare, education and finance

How AI is regulated

Comprehensive AI law in force

What to watch

- Late 2026: implementing decrees for the AI Law and strategy (watch MOST notices).
- Mar 2027 and Sep 2027: transition deadlines for existing AI systems.
- 2026-27: Qualcomm and Nvidia R&D build-outs raise demand for AI engineers.

Vietnam · Market and adoption

- **People online.** 85.6m internet users (84.2%) and 79.0m social identities [810].
- **GenAI use.** 27.9% in Q2 2026, up from 26.5% in Q1 and 23.5% in H2 2025. The 3-point rise in Q1 was the region's largest [811] [16].
- **Young adults.** 76% of Vietnamese under 35 use GenAI (Google/Public First, survey, secondary) [812].

- **Firms.** AWS reported AI adoption at 18% of businesses (about 170,000) in September 2025 (vendor survey, primary) [813].
- **Market size.** US$932m in 2025, rising to US$6.91bn by 2031 (Statista, forecast, secondary) [812].
- **Startups and spending.** 40+ active AI startups [725].

Vietnam · Policy and regulation

Law on AI No. 134/2025/QH15 (adopted 10 Dec 2025, in force 1 Mar 2026) [814]:

- **Risk tiers.** Providers self-classify systems as high, medium or low risk. They notify the Ministry of Science and Technology of medium and high-risk systems. They must keep documentation and human oversight, and report incidents.
- **Labelling.** AI audio, images and video need machine-readable marks. Synthetic content that mimics real people or events needs a clear visible label.
- **Support.** There is a sandbox, a National AI Development Fund, a National AI Database and vouchers for compute and data.
- **Liability.** High-risk deployers can be liable for damages even if they comply.
- **Transition.** Existing systems get 12 months to comply, or 18 months in healthcare, education and finance. That puts the deadlines at about March 2027 and September 2027.
- **Digital Technology Industry Law No. 71/2025/QH15**, in force 1 Jan 2026. The AI Law replaced its AI chapter [814][815]. ITA cites a 150% R&D deduction and income-tax breaks for AI experts [815].
- **E-commerce Law**, in force 1 Jul 2026. It bans misleading livestream claims, requires foreign platforms to have a local presence and needs human review of complaints [816].
- **High Technology Law No. 133/2025/QH15**, in force 1 Jul 2026. It supports AI data-centre projects [817].

National AI Strategy to 2030 (August 2026) [818]. Targets: top three in SEA for AI R&D, five national AI platforms, 10 Vietnamese AI brands, eight Vietnamese-language models and AI in all online public services.

AI human-resources programme [819]. By 2030: 10,000 highly qualified AI staff, 1,500 AI research experts, 50,000 degree holders, 100,000 trained teachers and basic AI training for 10m workers.

- 1 Jan 2026: Digital Technology Industry Law [815]
- 1 Mar 2026: AI Law [814]
- 1 Jul 2026: E-commerce and High Technology laws [816][817]
- August 2026: AI strategy and HR programme [818][819]
- 27 Aug 2026: Qualcomm says Vietnam will be its third-largest AI R&D centre [820]
- About March and September 2027: AI Law transition deadlines [814]

Exhibit 2.64: Vietnam: the rules that matter for AI

Source: Research notes and official texts for Vietnam; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Law on Artificial Intelligence No. 134/2025/QH15 [814]	[in force]	2026-03-01 (adopted 2025-12-10)	Providers self-classify systems as high, medium or low risk and notify medium/high-risk systems to the Ministry of Science and Technology. AI audio, image and video must carry machine-readable marks; synthetic content that simulates real people or events needs a clear label. Sandbox, National AI Development Fund, compute vouchers. Existing systems get 12 months to comply (18 months in healthcare, education and finance).
Law on Digital Technology Industry No. 71/2025/QH15 [815]	[in force]	2026-01-01 (adopted 2025-06-14)	Incentives for digital tech firms (ITA cites 150% R&D deduction and 5-year PIT exemption for AI experts). Its AI chapter was repealed and replaced by the AI Law (Art. 33).
Law on E-commerce [816]	[in force]	2026-07-01 (passed 2025-12-10)	Livestream sellers cannot give misleading claims; platforms must stop violating livestreams at once; foreign platforms need a local entity or representative; large platforms need automated review with human oversight of complaints.
Law on High Technology No. 133/2025/QH15 [817]	[in force]	2026-07-01	Customs and investment support for high-tech projects, explicitly including AI data-centre construction.

Vietnam · Ecosystem and big-tech moves

Qualcomm

plans to make Vietnam its third-largest AI R&D centre (a company plan, claimed) [820]. It reportedly bought VinAI's MovianAI unit in 2025 (secondary) [812].

Nvidia

bought VinBrain and agreed an AI R&D centre (secondary) [812].

FPT

runs an AI Factory with Nvidia, reported at US$200m. **Viettel** reportedly built a 120B-parameter Vietnamese model [812].

Zalo (VNG)

had about 80.2m monthly active users and 2.2bn daily messages in Q1 2026 [821] [822].

Vietnam · The AI services market and pricing

What buyers buy: Zalo and Facebook AI agents, AI Law compliance, AI cloud and consumer AI plans.

- **RedAI AI agent SaaS:** VND 1,000,000 a month (US$38.56) [823].
- **ChatGPT Go:** VND 132,000 a month (US$5.09), launched October 2025 (secondary) [812] [824].

Delivery models: SaaS plans, IT-services projects (FPT) and state vouchers under the AI Law [814].

Exhibit 2.65: Vietnam: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
AI agent / omnichannel chatbot SaaS (Pro plan)	VND 1,000,000 per month	US$38.56 at 25,933 VND/USD (30 Sep 2026)	[published]
ChatGPT Go consumer plan	VND 132,000 per month (launched Oct 2025)	US$5.09 at 25,933 VND/USD	[published]

Vietnam · Leading industries and use cases

- **IT services:** FPT and Viettel [812].
- **Public administration:** AI in every online service by 2030 [818].
- **E-commerce and livestream selling:** now regulated [816].
- **Semiconductors and R&D:** Qualcomm and Nvidia [820] [812].
- **Messaging:** Zalo ships the Kiki assistant and voice tools [825].

Exhibit 2.66: Vietnam: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Zalo (VNG) [821]	Messaging	AI features in Vietnam's main messaging app (Kiki assistant, AI avatar, voice tools)	About 80.2m monthly active users and 2.2bn daily messages in Q1 2026 (VnExpress via Wikipedia) [822]	Reported

Vietnam · Marketing, search, advertising and channels

- **AI search.** Google AI Mode's Vietnamese rollout was reported on 8 Oct 2025, with availability expanding over the following week [793]. Vietnam has SEA's highest local-language share of Gemini prompts (secondary) [812].
- **Messaging.** Zalo is the key channel. Local AI SaaS plugs into Zalo and Facebook [826] [823].
- **Marketing rules.** From 1 Mar 2026, AI-generated audio, images and video need machine-readable marks; simulations of real people or events need recognisable labels. Pre-existing marketing systems have 12 months to comply [814]. Livestream and affiliate rules apply from 1 Jul 2026 [816].

Vietnam · Opportunities

- **AI Law compliance packs** before the 2027 deadlines [814].
- **Zalo-native agents** for SMEs at about VND 1m a month [823].
- **Public-sector AI and mass training** for 10m workers [818] [819].
- **Business AI grants** (a September 2026 VnExpress headline mentions US$120,000) [827].

Vietnam · Barriers and risks

Compliance cost
for synthetic media [814].

Localisation duties
for foreign platforms [816].

Talent shortages
(secondary) [812] and no official adoption statistic.

Vietnam · Outlook 2026–27

- Implementing decrees for the AI Law and strategy in late 2026.
- Transition deadlines in March and September 2027.
- More R&D hiring by Qualcomm and Nvidia.
- Vietnam's labelling model may shape ASEAN practice after the DEFA signing.

Notes and sources

1. Viet Nam Government Portal, Viet Nam's Law on Artificial Intelligence, 2026-07-15 link [814]
2. Viet Nam Government Portal, Gov't approves National AI Strategy, 2026-08-29 link [818]
3. Viet Nam Government Portal, National program for AI human resources development through 2030, 2026-08-12 link [819]
4. Viet Nam Government Portal, Viet Nam's Law on E-commerce, 2026-08-26 link [816]
5. Viet Nam Government Portal, Law on High Technology, 2026-09-17 link [817]
6. Viet Nam Government Portal, Viet Nam planned to become Qualcomm's third-largest AI research centre, 2026-08-28 link [820]
7. US International Trade Administration, Vietnam Country Commercial Guide: Digital Economy, 2026-04-23 link [815]
8. VnEconomy, Vietnam ranks second in Southeast Asia for generative AI adoption, 2026-09 link [828]
9. VnExpress International, Vietnam ranks 2nd in Southeast Asia for AI adoption, 2026-06-17 link [811]
10. VnExpress International, Vietnam Innovation section headlines, 2026-09 link [827]
11. Microsoft, Global AI Diffusion Q2 2026, 2026-09-21 link [16]
12. DataReportal, Digital 2026: Vietnam, 2025-11 link [810]
13. Wikipedia, Zalo (cites VnExpress 2026-08-03), 2026 link [821]
14. Digital in Asia, Vietnam AI Market 2026, 2026-09 link [812]
15. RedAI, pricing page, 2026-09 link [823]
16. Google, Temasek, Bain, e-Conomy SEA 2025 report, 2025-11-11 link [725]
17. Lowyat.NET, Google expands AI Mode with more languages, 2025-10-08 link [793]
18. AWS, "New AWS research shows strong AI adoption momentum in Vietnam", 2025-09-18 link [813]
19. VNG, "Q1/2026: VNG ghi nhận lợi nhuận trở lại, doanh thu tăng trưởng 32%, lợi nhuận HĐKD sau điều chỉnh tăng 154%", 2026-05-04 link [822]
20. VietNamNet, "OpenAI bán gói ChatGPT Go giá 132.000 đồng tại Việt Nam", 2025-10-09 link [824]
21. Zalo, "AI & Technology", Undated link [825]
22. FPT Smart Cloud (FPT.AI), "FPT AI Chat", Undated link [826]

Southeast Asia (ASEAN) · 34 of 46

Philippines

Country profile | PHL



The Philippines is where AI meets a large outsourcing industry. The IT-BPM sector (about US$40bn revenue, 1.9m workers) is adopting AI fast: 67% of responding IT-BPM member firms use AI tools, against only 14.9% of all firms. Industry growth targets for 2028 were reportedly cut in Jul 2026. 20.7% of working-age people used generative AI in June 2026.

20.7%
of working-age people use AI · rank 56 of 147
Microsoft AI Diffusion, Q2 2026

14.9%
of firms use AI (all firms; 67% of responding IT-BPM member…)
US International Trade Administration

0.8 USD bn
AI market size, 2024
UNESCO AI profile via US International T, 2024

67.3%
of people use the internet
World Bank [112], 2024

Key dates, 2026–27

2026-05 ‡	DEFA negotiations concluded at the SEOM meeting in Manila
2026-07	IBPAP 2028 revenue and jobs targets reportedly cut (Inquirer via Digital in Asia)
2026-11 ‡	DEFA signing targeted at the 49th ASEAN Summit
2028	Data-centre capacity forecast to reach 473MW from about 150MW in early 2026 (DCAP via Digital…

‡ Source could not be re-opened on 3 Nov 2026.

How AI is regulated

Guidance only, law in drafting

What to watch

- Nov 2026: DEFA signing targeted during the Philippines' ASEAN chairmanship; watch for AI and data-flow commitments.
- 2026-27: AI bills may advance in the new Congress; no timeline verified.
- 2026-28: data-centre capacity build-out and AI Infrastructure Master Plan projects.

Philippines · Market and adoption

- **GenAI use.** 20.7% in Q2 2026, up from 18.3% in H2 2025 (estimate) [16].
- **ChatGPT.** 42.4% of internet users used ChatGPT in the past month, 6th globally (Digital 2026, survey, secondary) [829].
- **Firms.** 14.9% of firms use AI. Among responding IT-BPM member firms it is 67% [830].
- **Market size.** US$772m in 2024, rising to US$3.49bn by 2030 at roughly 28.6% CAGR (UNESCO profile via ITA, forecast) [830].

- **Talent.** Job posts needing AI skills rose from 8,000 in 2021 to 56,000 in 2025 (Accenture, secondary) [829].
- **Startups.** e-Conomy SEA counts 10+ active AI startups, the fewest in SEA-6 [725].

Philippines · Policy and regulation

- NAISR 2.0 projects PHP 2.6tn of annual AI contribution (ADB/Gorriceta via Digital in Asia, claimed) [829].
- **Infrastructure plan.** An AI Infrastructure Master Plan launched in 2026, covering data centres, hyperscale investment and power [830].
- **Law.** There is no standalone AI law. Several bills are pending [830]. A 2023 bill proposed an AI Development Authority, and COMELEC considered banning AI deepfakes in campaigns for 2025 [95]. The Philippines ranked 68th of 135 in the 2026 Global Index on Responsible AI [831].
- May 2026: DEFA concluded in Manila [832]
- 2026: AI Infrastructure Master Plan [830]
- July 2026: IBPAP 2028 targets reportedly cut (secondary) [829]
- November 2026: DEFA targeted for signing at the 49th ASEAN Summit [833]
- 2028: data-centre capacity forecast to reach 473MW, from about 150MW in early 2026 (secondary) [829]

Exhibit 2.67: Philippines: the rules that matter for AI

Source: Research notes and official texts for Philippines; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
AI bills in Congress (e.g., proposed AI Development Authority) [830]	[proposed]	pending	No comprehensive AI law yet; several bills pending (ITA, Jul 2026). A 2023 House bill proposed an AI Development Authority (Wikipedia).
Data Privacy Act of 2012 [834]	[in force]	†	Governs personal data used for AI; National Privacy Commission oversight.

Philippines · Ecosystem and big-tech moves

- **Telco data centres (reported, secondary)** [829]:
- Globe and ST Telemedia: a 124MW Fairview campus worth US$1bn.
- PLDT VITRO Sta. Rosa: a 50MW AI-ready site opened in April 2025.
- **Research.** CAIR, the Center for AI Research, lists AWS and AI Singapore as partners (secondary) [829].
- **Models.** Filipino is covered by SEA-LION, including v4.8 from September 2026 [747]. Local Tagalog models on Hugging Face are small community projects [835].

Philippines · The AI services market and pricing

What buyers buy: contact-centre AI (QA, agent assist, voice bots), reskilling, copilots and fintech fraud AI.

Reskilling. Project UNLAD is reported as a PHP 740m reskilling tie-up between IBPAP, DICT and TESDA (secondary) [829].

Pricing. No local AI price list was verified.

Delivery models. BPO contracts are shifting from per-seat to AI-assisted models, but this is not yet quantified in verified sources.

Philippines · Leading industries and use cases

- **IT-BPM.** US$40bn revenue and 1.9m workers (IBPAP) [836]. Digital in Asia, citing the Inquirer (July 2026), reports that IBPAP's 2028 targets were cut [829]:
- Revenue: from US$59bn to US$43.3-50.5bn.
- Jobs: from 2.5m to 1.85-2.14m.

We treat this as a key AI-disruption signal, but it still needs primary confirmation.

- **Globe Telecom:** 90% of employees use Gemini for Workspace (claimed, January 2026) [829].
- **GCash:** uses AI fraud defence with behavioural biometrics (claimed) [829].

Exhibit 2.68: Philippines: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Globe Telecom [829]	Telecom	Gemini for Workspace rollout	90% of employees using it (Jan 2026)	Claimed
GCash (Mynt) [829]	Fintech	AI-powered fraud defence (behavioural biometrics, real-time monitoring)	No metric published	Claimed

Philippines · Marketing, search, advertising and channels

- **Assistants.** ChatGPT reach is high, at 42.4% of internet users monthly [829]. English fluency means global tools work well out of the box.
- **Payments.** GCash is the main payments rail (6m+ merchants and social sellers combined, secondary) [829] [837].

Philippines · Opportunities

- **Re-tool BPO:** agent assist, QA automation, AI voice and new "AI operations" services for global clients [830] [836].
- **Reskilling at scale** [829].

- **Managed AI services** on new data-centre capacity [829].
- **Enterprise AI outside BPO**; only 14.9% of Philippine firms overall use AI [830].

Philippines · Barriers and risks

- **Job displacement** in voice and back-office work [829].
- **No AI law**, and bills are slow [830].
- **A tiny AI startup base** [725].
- **Power and infrastructure limits** [830].

Philippines · Outlook 2026–27

- The DEFA signing targeted under the Philippine chairmanship in November 2026.
- Possible movement on AI bills in 2026-27.
- Data-centre capacity to 2028.
- The BPO revenue mix moving towards AI-enabled services through 2027.

Notes and sources

1. US International Trade Administration, Philippines Artificial Intelligence, 2026-07-06 link [830]
2. Microsoft, Global AI Diffusion Q2 2026, 2026-09-21 link [16]
3. IBPAP, homepage, 2026-09 link [836]
4. Digital in Asia, Philippines AI Market 2026: A Complete Overview, 2026-09-06 link [829]
5. Wikipedia, Business process outsourcing in the Philippines, 2026 link [838]
6. Google, Temasek, Bain, e-Conomy SEA 2025 report, 2025-11-11 link [725]
7. Manila Bulletin, ASEAN concludes negotiations for landmark digital economy pact, 2026-05-31 link [832]
8. IBPAP, Knowledge Hub, 2026-09 link [839]
9. Wikipedia, Regulation of artificial intelligence, 2026 link [95]
10. Hugging Face / AI Singapore, Nemotron-SEA-LION-v4.8-120B-A12B model card, 2026-09-18 link [747]
11. Hugging Face, roberta-tagalog-base (jcblaise), 2021 link [835]
12. The Reporter Asia, Microsoft 2026 Work Trend Index, 2026-08-04 link [764]
13. BusinessWorld, Technology section (headline: Alibaba Cloud announces new data centers in Malaysia, the Philippines), 2026-09 link [796]
14. Rajah & Tann Asia, DEFA negotiations concluded, targeted for signing in November 2026, 2026-06 link [833]
15. Alibaba Cloud, "GCash: Mobile Money Service Company in Philippines - Alibaba Cloud Case Study" link [837]
16. Global Center on AI Governance, "Global Index on Responsible AI 2026 (2nd Edition)", 2026 link [831]

Part 2 · Region 09

Australia & New Zealand

Australia is a high-usage, low-integration AI market. New Zealand has some of the highest consumer AI use in the world: 44.1% of working-age people used generative AI in Q2 2026, rank 7 globally and ahead of Australia (40.7%, rank 11).



AI users, % of working-age people (Q2 2026)

New Zealand	44.1%
Australia	40.7%
Global average (Microsoft)	18.8%

In this region

Australia	251
New Zealand	261

Australia & New Zealand · 35 of 46

Australia

Deep dive AUS



Australia is a high-usage, low-integration AI market. About 4 in 10 working-age Australians use generative AI tools (40.7% in Q2 2026, rank 11 globally), yet only 12% of businesses reported using AI in the official 2024-25 ABS survey, against 43-44% of SMEs in the National AI Centre's tracker.

40.7%
of working-age people use AI · rank 11 of 147
Microsoft AI Diffusion, Q2 2026

12%
of firms use AI (Australian businesses, ABS Business...)
Australian Bureau of Statistics, 2025

$2.5bn
private AI investment
Stanford AI Index 2026, 2025

26.2m
internet users
DataReportal Digital 2026 Australia, 2026

Key dates, 2026–27

2026-11-16	Senate inquiry into data centres due to report
2026-12-10	Privacy Act automated decision-making transparency obligations commence; Children's Online...
2027 (early)	Australian Standards for AI legislation expected
2027-04-30	Policy for Responsible Use of AI in Government v2.0 staged implementation completes

How AI is regulated

Existing law and sector regulators

What to watch

- Nov 2026: Senate data-centre inquiry reports (16 Nov).
- 10 Dec 2026: ADM transparency duty commences; Children's Online Privacy Code registered. Expect OAIC final ADM guidance before then.
- Late 2026 to 2027: Privacy tranche 2 bill and Digital Duty of Care bill may be introduced to Parliament after 2026 consultations.

Australia · Market and adoption

Official statistic. The ABS says about 12% of businesses used AI in 2024-25, up from about 1% in 2021-22 [840]. Large firms were at 35% (9% in 2021-22), medium at 22% (3%) and small or micro at about 11% [841]. By industry, information, media and telecoms led at 38%. Professional services and financial services were at 24% each; finance rose 24-fold from 1% in 2021-22 [841]. Transport, postal and warehousing was at 1% [840]. Innovation-active firms adopt at 20%, against 6% for others [841] (official statistic).

SME tracker. The National AI Centre's SME AI Pulse (Fifth Quadrant, at least 400 SMEs a wave) found 43% "some level of AI adoption" across December 2025 to February 2026. That was 44% in February, and 45% in September to November 2025 [842] (survey). Adoption is above 50% in health, education and services, and below 30% in construction and agriculture. Top uses among adopters are content generation (54%), data analytics (54%) and cybersecurity (48%). Among non-adopters, 65% distrust AI decisions or want to keep human control, 54% say AI is not relevant and 19% do not know how to use it. Only about half of users check outputs before they reach customers [842].

Other surveys (secondary). MYOB found 40% SME adoption (April 2026). Weel card data showed 30.8% of SMBs paying for AI tools in June 2026, up from 22.1% in January [843]. auDA's Digital Lives of Australians 2026 found 72% of small businesses had used AI, up from 64% in 2025 [844]. The gap between 12% and 72% reflects different populations and definitions (a formal ABS business-use measure against auDA's broader "used AI" result), and neither figure is necessarily wrong [844].

Consumers. Microsoft's AI Diffusion series puts Australia at 40.7% of 15-64 year-olds in Q2 2026 (rank 11). That compares with 39.5% in Q1 2026, 36.9% in H2 2025 and 34.5% in H1 2025 [16][17] (reported). Roy Morgan: 58% of Australians 14+ (13.6m) used AI tools in Q1 2026. ChatGPT reached 45% (10.5m), Gemini 21% and Copilot 17% [845] (survey, secondary).

Investment and economic stakes. Stanford's AI Index 2026 puts Australian private AI investment at US$2.5bn in 2025, ninth in the world [439] (reported, secondary). The Productivity Commission conservatively estimated in August 2025 that AI could add more than A$116bn over a decade, about A$4,400 per person [846]. EY modelled a A$95-116bn boost and 36,000-44,000 extra FTE jobs by 2036. It noted labour productivity growth has averaged just 0.3% a year over the past 10 years [847]. No credible public IDC or Gartner AI-spend figure for Australia was found.

Connectivity. At the start of 2026 Australia had 26.2m internet users (97.1%), 21m social media users (77.7%) and 34.1m mobile connections [848] (reported).

Australia · Policy and regulation

From guardrails to "no AI Act". In September 2024 the government issued a Voluntary AI Safety Standard (10 guardrails). It also proposed mandatory guardrails for high-risk AI [849][850] and drew more than 300 consultation responses [850]. On 5 August 2025 the Productivity Commission urged a pause. It said economy-wide AI rules could leave Australia "behind the curve" [846]. On 21 October 2025 the National AI Centre published Guidance for AI Adoption. Its six practices superseded the voluntary standard [851][849]. The National AI Plan (2 December 2025) officially dropped its plan for mandatory guardrails in favour of updating the existing legal and regulatory framework, including technology-neutral laws [852]. It funded an AI Safety Institute (first announced 25 November 2025 [853]) with A$29.9m [854] and consolidated more than A$460m of existing AI funding [855][856] (these sources could not be re-opened on 3 Nov 2026). The separate National AI Capability Plan consultation was folded into this plan [857]. The APS AI Plan (November 2025) requires every agency to appoint a chief AI officer [858][859]. The Policy for Responsible Use of AI in Government v2.0 started on 15 December 2025, with staged rollout to 30 April 2027 [849]. The Productivity Commission's final report (19 December 2025) said AI-specific laws should be a "last resort". It also said AI training generally needs a copyright licence [860].

2026 shift. The government's 1 April 2026 response to the Senate AI committee rejected a text-and-data-mining copyright exception. It said only 4% of the workforce faces high automation exposure, and pointed to an electoral bill requiring disclosure on AI-modified material [861]. APRA wrote to regulated firms on 30 April 2026 warning against treating AI as "just another technology" [851]. Dr Kate Conroy became AISI's first general manager in May 2026. AISI sits inside the Department of Industry and is not a regulator [862]. On 15 July 2026 the PM established an Office of AI in PM&C and announced "Australian Standards for AI", expected to be legislated in early 2027 [863]. The government called these the first AI standards to be legislated by any government (claimed) [863]. First targets are large data centres. They must underwrite their own new power, pay full connection costs, curtail load when the grid needs it and maximise water efficiency. The PM also pledged that Australian creative works will not be used to train AI without consent [863]. The Opposition called it jobs "in an office" [864]. On 26 August 2026 National Cabinet endorsed developing nationally consistent mandatory standards for large data centres, covering energy, water, land-use and skills/training [865]. Scope beyond data centres, thresholds and penalties remain undefined [866].

Privacy. Tranche 1 (the Privacy and Other Legislation Amendment Act 2024) created a statutory privacy tort from 10 June 2025 [851]. From **10 December 2026**, APP entities must disclose in privacy policies the personal information used in, and the kinds of decisions made by, automated decision-making (APP 1.7-1.9) [867]. The OAIC reads "computer program" broadly, including spreadsheets and CRM rules. Human sign-off does not exempt a decision [868]. Firms under the A$3m turnover small-business exemption generally sit outside the Act, although broad exceptions catch many of them [868]. The OAIC's Children's Online Privacy Code draft (31 March 2026) must be registered by **10 December 2026**. It covers apps, games, streaming and edtech likely to be used by children, and requires consent for direct marketing [869]. The tranche 2 exposure draft, the Privacy Amendment (Personal Data Protection) Bill 2026, was released on 31 August 2026 (consultation closed 18 September). It proposes a "fair and reasonable" test and a controller/processor split, and treats inferred data as potentially personal information [870] [871].

Online safety and deepfakes. The under-16 social media ban started on 10 December 2025. Platforms deactivated, removed or restricted 4.7m accounts in the first month [872]. In its March 2026 compliance update (reported on 31 March 2026), eSafety put Facebook, Instagram, Snapchat, TikTok and YouTube on notice, with civil penalties then of up to A$49.5m [873] (a bill doubling the maximum to A$99m received assent on 11 September 2026, as reported by Biometric Update [874]). The Deepfake Sexual Material Act 2024 carries up to 7 years' jail and saw its first prosecution in February 2026 [875]. eSafety warned a UK "nudify" operator with about 100,000 monthly Australian visitors in September 2025 [876]. The government also said it would restrict nudify tools [877]. The Digital Duty of Care exposure draft (8 September 2026) covers any online service, including AI tools that let users generate and share content, with reported maximum penalties of about A$100m per breach [878]. An unfair trading practices prohibition is reported to commence on 1 July 2027. It could catch AI-enabled dark patterns [849].

Exhibit 2.69: Australia: the rules that matter for AI

Source: Research notes and official texts for Australia; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
National AI Plan [854]	[in force]	2025-12-02	No AI Act. Firms are regulated through existing laws; government shelved the 10 mandatory guardrails for high-risk AI. AISI monitors and tests frontier models but is not a regulator.
Guidance for AI Adoption (AI6), National AI Centre [849]	[in force]	2025-10-21	Voluntary six practices (accountability, impact assessment, risk management, information sharing, testing and monitoring, human oversight). Supersedes the Sept 2024 Voluntary AI Safety Standard (10 guardrails) as the main government guidance.

Law or rule	Status	Effective	What it means for business
Australian Standards for AI (announced by PM) and National Cabinet data centre standards [863]	[proposed]	Legislation expected early 2027	Mandatory obligations first for large data centres: underwrite own new power supply, pay full connection costs, curtail load when needed, maximise water efficiency. National Cabinet endorsed standards on energy, water, land-use and skills on 26 Aug 2026. Scope for other AI uses, thresholds and penalties still undefined.
Privacy and Other Legislation Amendment Act 2024 (Privacy Act tranche 1): automated decision-making transparency (APP 1.7-1.9) [867]	[passed]	2026-12-10	APP entities must state in privacy policies the kinds of personal information used, and the kinds of decisions made, by computer programs that substantially and directly affect individuals' rights or interests. OAIC reads 'computer program' broadly (incl. spreadsheets, CRM rules engines). Human sign-off does not exempt. Statutory privacy tort already in force since 10 Jun 2025.
Children's Online Privacy Code (OAIC) [869]	[draft]	Must be registered by 2026-12-10	Applies to social media, relevant electronic and designated internet services likely to be accessed by children (apps, games, streaming, edtech). Best-interests test; direct marketing to children needs consent; deletion rights.
Privacy Amendment (Personal Data Protection) Bill 2026 (tranche 2 exposure draft) [870]	[draft]	Exposure draft 2026-08-31; consultation closed 2026-09-18; no commencement date	Proposes a 'fair and reasonable' test, controller/processor split (AI service providers as processors), simpler direct-marketing opt-outs, and treats inferred or generated information as potentially personal information. Raises the bar for training AI on 'de-identified' data.
Online Safety Amendment (Social Media Minimum Age) Act 2024 [872]	[in force]	2025-12-10	Age-restricted platforms must take reasonable steps to stop under-16s holding accounts; 4.7m accounts deactivated, removed or restricted in the first month. Civil penalties were up to A$49.5m; a bill doubling the maximum to A$99m received assent on 11 Sep 2026, as reported by Biometric Update [874]. eSafety put Facebook, Instagram, Snapchat, TikTok and YouTube on notice in its March 2026 compliance update (reported 31 Mar 2026).
Online Safety Amendment (Digital Duty of Care) Bill 2026 [878]	[draft]	Exposure draft 2026-09-08; consultation closed late Sep 2026	Duty on anyone responsible for an online service (not just big platforms) to keep users safe so far as reasonably practicable; covers AI tools that let users generate and share content. Reported maximum civil penalty of about A$100m per breach.

Law or rule	Status	Effective	What it means for business
Criminal Code Amendment (Deepfake Sexual Material) Act 2024 [875]	[in force]	2024	Creating and sharing non-consensual sexual deepfakes carries up to 7 years' jail; first prosecution reported Feb 2026. eSafety has used Online Safety Act industry standards against 'nudify' services (formal warning Sep 2025).
Policy for Responsible Use of AI in Government v2.0 [849]	[in force]	2025-12-15, staged implementation to 2027-04-30	Mandatory for non-corporate Commonwealth entities; shapes what vendors selling AI to federal agencies must document.
Competition and Consumer Amendment (Unfair Trading Practices) Act 2026 [849]	[passed]	2027-07-01 (as reported by SafeAI-Aus)	Technology-neutral unfair trading prohibition that may capture AI-enabled dark patterns or algorithmic manipulation in marketing and e-commerce flows.

Australia · Ecosystem and big-tech moves

- **AWS:** AU$20bn for Sydney and Melbourne data centres, 2025-2029, plus three solar farms (14 June 2025) [879].
- **OpenAI and NEXTDC:** A$7bn sovereign AI campus at S7 Eastern Creek, reported at 550MW [880] or 650MW [881], targeted for H2 2027 [880]. "OpenAI for Australia" includes skills partners CBA, Coles, Wesfarmers and NRL, plus a startup program with Blackbird, Square Peg and AirTree offering up to US$15k in API credits [880][881] (claimed).
- **AirTrunk (Blackstone and CPP Investments, US$16.1bn deal in 2024):** a planned 1GW Western Sydney campus reported at A$5bn (November 2025) [882]. A 354MW+ MEL2 site in Melbourne worth over A$5bn (24 December 2025) [883].
- **NEXTDC:** 316MW contracted utilisation and 205MW forward order book (late November 2025) [884].
- **Anthropic:** MOU on 31 March 2026, with A$3m in Claude credits to ANU, Garvan, MCRI and Curtin, and plans to open a Sydney office [885][886]. AirTrunk's CEO cited "a genuine desire from Anthropic for a substantial investment" [887]. On 16 September 2026 Anthropic was reported as anchor tenant of Zerra DC's A$31.9-32bn, 1.44GW Western Downs campus in Queensland.
- **Microsoft:** A$25bn by end-2029, with its existing Australian cloud footprint expanding by more than 140% and 3m Australians skilled by 2028 (23 April 2026) [888] (claimed).
- **Pipeline and grid:** Westpac estimates the pipeline could exceed A$155bn; proposals of up to 10GW are not approved capacity [889]. AEMO projects data centres at about 12 TWh (6% of grid supply) by 2030 [865].
- **Local players:** Canva (owner of Leonardo.ai) and Atlassian work with OpenAI [881]. Sharon AI is deploying a 1,016-GPU cluster in NEXTDC Melbourne [890]. CBA named Ranil Boteju Chief AI Officer from early 2026 [891].

Australia · The AI services market and pricing

Buyers mostly buy content generation, analytics and cyber tools [842], often bottom-up on company cards [843]. Deadline-driven demand comes from ADM disclosure audits [867], children's-code redesigns [869] and AI governance for APRA and ASIC-regulated firms. The AICD updated its director guidance for agentic AI on 29 June 2026 [851]. Delivery models are SaaS seats, hyperscaler and AI-lab partnerships with credits [880] [885], and project-based compliance work.

Australia · Leading industries and use cases

The leaders are information and media (38%), finance and professional services (24% each) [841], and health, education and services SMEs (above 50%) [842] (that source could not be re-opened on 3 Nov 2026). Examples: Microsoft and ASD's Cyber-Shield secured 38,000+ government accounts and found 35 unknown vulnerabilities [888] (claimed); OpenAI skills programs with CBA, Coles and Wesfarmers [881] (claimed); Anthropic credits for genomics research [885]; the APS GovAI platform [858] [891]. Few named commercial deployments with published results were found.

Exhibit 2.70: Australia: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Australian Signals Directorate with Microsoft (Cyber-Shield) [888]	Government / cybersecurity	Joint cyber defence program using Microsoft Sentinel	More than 38,000 government accounts secured; 35 previously unknown vulnerabilities identified	Claimed
Commonwealth Bank, Coles, Wesfarmers, NRL with OpenAI [881]	Banking, retail, sport	AI skills and training programs under 'OpenAI for Australia'	Programs launching 2026; no outcomes published yet	Claimed
ANU, Garvan Institute, Murdoch Children's Research Institute, Curtin University [885]	Research / health	A$3m in Claude API credits for genomics, precision medicine, rare-disease diagnostics and data science	Announced; no outcomes yet	Reported
Australian Public Service [858]	Government	GovAI secure platform, chief AI officers in every agency, human involvement in AI-assisted decisions	Policy in force; staged to Apr 2027	Reported

Organisation	Industry	What	Result	Evidence
eSafety Commissioner [876]	Regulator / online safety	Enforcement against AI 'nudify' services under Online Safety Act industry standards	Formal warning to a UK operator of two sites with ~100,000 monthly Australian visitors	Reported

Australia · Marketing, search, advertising and channels

Google holds 87.58% of search and Bing 9.41% (StatCounter, August 2026) [845]. Social reach: Facebook 80.6% of social users, Messenger 68.0%, Instagram 65.9%, YouTube 60.9%, WhatsApp 52.2%. TikTok leads daily time at 1h14m [848]. Online spending hit A$82.6bn in 2025, up 14% (Australia Post) [845]. Trust is fragile: in the OAIC's 2026 survey, 87% are more concerned about privacy than five years ago, and only 4% see AI companies as trustworthy [845] (survey, secondary). For marketers, dynamic pricing triggers ADM disclosure, teens are off-platform, and AI generation features may fall under the duty of care. **Gaps:** IAB/PwC ad spend, ACCC platform-inquiry findings and AI Overviews prevalence were not reachable.

Australia · Opportunities

- ADM compliance before 10 December 2026: registers, audits, policy rewrites [867] [868].
- SME integration and training, given the 12% against 43-44% gap [841] [842].
- Low-adoption sectors: construction, agriculture, transport [840] [842].
- Data-centre supply chain: energy, water, construction, skills [879] [888] [880] [892].
- Youth-marketing redesign under the children's code and under-16 ban [869] [872].
- Government AI procurement under the APS policy [849].

Australia · Barriers and risks

- Policy whiplash; 2027 standards scope undefined [866].
- Trust deficits among SMEs and consumers [842] [845].
- Skills: 16% of businesses cite staff skills as an ICT barrier [840].
- Energy and water limits [865]; no copyright TDM exception [861].
- Stacked online-safety penalties [873] [878]; thinly funded AISI [862].

Australia · Outlook 2026–27

- 16 November 2026: Senate data-centre inquiry reports [865].
- 10 December 2026: ADM duty and children's code start [867] [869].
- Late 2026 to 2027: the tranche 2 privacy bill (exposure draft 31 August 2026) and the duty-of-care bill (exposure draft 8 September 2026) may be introduced [870] [878].
- Early 2027: Australian Standards for AI legislation [863].

- 30 April 2027: end of the APS AI policy's staged implementation; covered non-corporate Commonwealth entities must determine whether existing, unassessed AI use cases are in scope and apply all relevant policy actions, subject to defence and national intelligence community carve-outs [849].
- 1 July 2027: unfair trading practices ban (reported) [849].
- H2 2027: OpenAI and NEXTDC campus online [880]; Anthropic and Zerra campus targets 2027 if approved [892].
- AI use among working-age people has risen about 1 to 1.5 points a quarter [16] [17] (observed trend, not a forecast).

Notes and sources

1. Prime Minister of Australia, "AI in Australia's interests", 2026-07-15 link [863]
2. ABC News, "Anthony Albanese maps out AI future with new national framework", 2026-07-14 link [864]
3. Minister for Industry and Innovation, "National AI Plan: Empowering all Australians", 2025-12-02 link [854]
4. Piper Alderman, "Australia now has a National AI Plan. Now What?", 2025-12 link [852]
5. IAPP, "Australia unveils AI policy roadmap", 2025-12 link [858]
6. ABC News, "Kate Conroy appointed inaugural general manager of Australian AI Safety Institute", 2026-05-29 link [862]
7. SafeAI-Aus, "Current Legal Landscape for AI in Australia", 2026 link [849]
8. SafeAI-Aus, "AI Data Centres and Compute Governance", 2026-09-06 link [865]
9. Behind the SLA, "AI governance in Australia: what boards must do now the guardrails were shelved", 2026 link [851]
10. ABC News, "Productivity Commission says government must pause plan for 'mandatory guardrails' on AI", 2025-08-05 link [846]
11. Johnson Winter Slattery, "Harnessing data and digital technology: key takeaways from the PC's final report", 2025-12 link [860]
12. EY Australia, "AI productivity gains could deliver up to $116bn boost to Australia's economy", 2026-08 link [847]
13. DISR, "Australian Government response: Senate Select Committee on Adopting AI report", 2026-04-01 link [861]
14. OAIC, "Consultation on Guidance for Transparency in Automated Decision Making", 2026-05-18 link [867]
15. BrightPath AI Solutions, "Automated decision transparency 2026", and Streamline, "ADM: Privacy Act rules from 10 Dec 2026", 2026. ; https://streamline.business/automated-decision-making-privacy-policy-app-1-7/ link [868]
16. OAIC, "OAIC releases Exposure Draft of the Children's Online Privacy Code", 2026-03-31 link [869]
17. MinterEllison, "Draft Tranche 2 Privacy Reforms: What they mean for businesses", 2026-09 link [870]
18. Prime Minister of Australia, "4.7 million accounts deactivated, removed or restricted", 2026-01-16 link [872]
19. Mediaweek, "eSafety puts five social platforms on notice", 2026-03-31 link [873]
20. Allens, "Australia's 'digital duty of care': what the draft bill means for online services", 2026-09 link [878]
21. ABC News, "Deepfakes back in the headlines after a federal law was used for the first time", 2026-02-27 link [875]
22. CommsRoom, "AI 'nudify' websites face enforcement under Online Safety Act", 2025-09-15 link [876]
23. ABS, "Business adoption of Artificial Intelligence accelerates in 2024-25", 2026-06-25 link [841]
24. ABS, "Characteristics of Australian Business, 2024-25", 2026-06-25 link [840]
25. National AI Centre, "AI adoption insights: December 2025 to February 2026", 2026-05-07 link [842]
26. ScaleSuite, "AI Adoption in Australian SMEs 2026" (cites MYOB, Weel), 2026 link [843]
27. SEO Summer, "Australian Business AI Adoption: Why 12% and 72% Differ" (cites auDA), 2026-08-17 link [844]
28. Microsoft AI for Good Lab, "Global AI Diffusion Q2 2026", 2026-09 link [16]
29. Microsoft AI for Good Lab, "AI Diffusion Report 2025 H2", 2026-01 link [17]

30. Verity News, "Private AI Investment by Geographic Area" (Stanford AI Index 2026 data), 2026 link [439]
31. Meltwater, "Social Media Statistics for Australia [Updated 2026]" (DataReportal Digital 2026), 2026-08-25 link [848]
32. ROI.com.au, "Australian Internet Usage & Digital Behaviour Statistics (2026)" (cites Roy Morgan, StatCounter, Australia Post, OAIC), 2026-09 link [845]
33. Amazon, "Amazon investing AU$20 billion to expand data center infrastructure in Australia", 2025-06-14 link [879]
34. Microsoft Source Asia, "Microsoft deepens commitment to Australia with A$25 billion investment", 2026-04-23 link [888]
35. ACS Information Age, "OpenAI, NextDC ink $7b Australian data centre deal", 2025-12-08 link [880]
36. W.Media, "OpenAI and NextDC unveil AUD 7bn plan for sovereign AI campus in Sydney", 2025-12-05 link [881]
37. Anthropic, "Australia MOU", 2026-03-31 link [885]
38. Assistant Minister Andrew Charlton, "New agreement on AI collaboration with Anthropic", 2026-03 link [886]
39. Tech Insider, "Anthropic $32B Australia Data Centre Deal Explained", 2026-09 link [892]
40. DatacenterDynamics, "AirTrunk set to buy planned 1GW data center site in Western Sydney", 2025-11-11 link [882]
41. DatacenterDynamics, "AirTrunk acquires site in Melbourne for 354MW data center", 2025-12-24 link [883]
42. Australian Stock Report, "Australia's data centre boom: 3 ASX data centre stocks", 2025-12 link [884]
43. Kingy AI, "Australia courts Nvidia, OpenAI and Anthropic in potential A$150bn AI data center push" (cites Westpac, The Australian, AEMO), 2026-09-06 link [889]
44. CommBank Newsroom, "Australia's National AI plan released", 2025-12-02 link [891]
45. Gadens, "Australia launches AI Safety Institute and releases National AI Plan", 2025-12 link [855]
46. InnovationAus, "Australia to establish AI safety institute", 2025-11-25 link [853]
47. Introl, "Australia and New Zealand AI infrastructure", 2025 link [890]
48. Startup Daily, "Albanese takes control of 'Office of AI' amid data centre push", 2026-07-15 link [893]
49. DISR, "Developing a National AI Capability Plan", update 2025-12-02 link [857]
50. Compliance Council, "Australia's AI standards: what the July 2026 reversal means", 2026 link [866]
51. Montreal AI Ethics Institute, "From proposed mandatory guardrails to the National AI Plan", 2025-12 link [850]
52. Certified Strategic, "Anthropic Australia MOU and data centre operators", 2026-04 link [887]
53. Mondaq, "Digital Regulation In Australia: How New Regulations Converge And Intersect", 2026-09 link [871]
54. SoftwareSeni, "What is Australia's National AI Plan and how does it position the country as an Indo-Pacific AI hub", 2026 link [856]
55. The AI Insider, "Australia's AI Action Plan: Decoded" (APS AI Plan dated 12 Nov 2025), 2026-09-14 link [859]
56. SBS News, "'Too important not to act': AI-generated sex abuse targeted in online safety laws overhaul", 2025-09-02 link [877]
57. Biometric Update, "Australia expands eSafety powers, doubles penalties in platform accountability push", 2026-09-11 link [874]

Australia & New Zealand · 36 of 46

New Zealand

Country profile NZL



New Zealand has some of the highest working-age generative-AI use in the world: 44.1% of working-age people used generative AI in Q2 2026, rank 7 globally and ahead of Australia (40.7%, rank 11). Government policy is light-touch: a national AI strategy focused on adoption rather than new AI law, with the Privacy Act 2020 and a biometrics code doing most of the regulatory work.

44.1%
of working-age people use AI · rank 7 of 147
Microsoft AI Diffusion, Q2 2026

93.5%
of people use the internet
World Bank [112], 2024

Key dates, 2026–27

2026-05-01	IPP 3A takes effect
2026-08-03	Compliance date for pre-existing biometric processing (Biometric Processing Privacy Code 2025)
2026-11-07	General election, which could reset AI and online-safety policy

How AI is regulated

Existing law and sector regulators; no AI bill

What to watch

- Working-age generative-AI use likely to keep rising on the observed Microsoft trend (37.6% H1 2025, 40.5% H2 2025, 43.0% Q1 2026, 44.1% Q2 2026); observed trend,...

New Zealand · Market and adoption

- **Working-age generative-AI use (reported):** 37.6% in H1 2025, 40.5% in H2 2025, 43.0% in Q1 2026 and 44.1% in Q2 2026. Rank 7 has held throughout [16] [17]. New Zealand has out-adopted Australia by about 3 to 4 points in every period [16] [17]. The gap suggests high individual uptake across a small, digitally mature, English-speaking population.
- **Investment:** New Zealand does not appear in the Stanford AI Index 2026 top 15 geographic areas for private AI investment in 2025. The 15th-ranked geographic area (Sweden) recorded US$1.0bn, so New Zealand was below that in 2025 [439].
- Figure left null.

New Zealand · Policy and regulation

- New Zealand's national AI strategy (July 2025) focuses on helping firms adopt AI, not on building frontier models. It relies on existing law and says new rules will come only where gaps appear. It came with MBIE "Responsible AI Guidance for Businesses".
- There is no AI Act or high-risk AI regime.
- The Privacy Act 2020 applies to AI use of personal information.
- The Privacy Commissioner's Biometric Processing Privacy Code 2025 came into force on 3 November 2025; existing biometric processing had to comply by 3 August 2026. It requires proportionality checks and notice, which matters for retail facial recognition.
- The Privacy Amendment Act 2025 adds IPP 3A. From May 2026, organisations that collect personal information indirectly must notify people. This is relevant to data enrichment and AI training data.
- No AI-labelling law was found.
- May 2026: IPP 3A takes effect.
- 2026: biometric code deadline for existing processing.
- 7 Nov 2026: general election, which could reset AI and online-safety policy.

Exhibit 2.71: New Zealand: the rules that matter for AI

Source: Research notes and official texts for New Zealand; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Privacy Act 2020	[in force]	2020-12-01	Principles-based privacy law administered by the Privacy Commissioner; applies to AI use of personal information.
Biometric Processing Privacy Code 2025	[in force]	In force 2025-11-03; pre-existing biometric processing must comply from 2026-08-03	Proportionality assessment, notice and limits on biometric processing such as facial recognition in retail.
Privacy Amendment Act 2025 (new IPP 3A on indirect collection)	[in force]	2026-05-01	Agencies collecting personal information from third parties (e.g. data brokers, enrichment tools) must notify individuals.
Public Service AI Framework and Responsible AI Guidance for the Public Service (GCDO/DIA)	[in force]	Reported early 2025 †	Sets expectations for vendors selling AI to government agencies.

New Zealand · Ecosystem and big-tech moves

- **Microsoft** opened New Zealand's first hyperscale cloud region (NZ North) on 12 December 2024. It runs under a 10-year agreement with Contact Energy for renewable attributes from the Te Huka 3 geothermal station [890] (reported, secondary).

- **AWS** launched an infrastructure region in New Zealand (Auckland) [890].
- **Sovereign or public AI:** no verified national model or public compute programme. Sovereignty is mainly about data residency in local cloud regions [890].

New Zealand · The AI services market and pricing

No verified data. NZD pricing for AI consulting, chatbot builds or agent retainers was not found. Demand likely mirrors Australia's (productivity copilots, content, analytics, privacy compliance), but this is an analyst expectation, not evidence.

New Zealand · Leading industries and use cases

No named use case with published results could be confirmed.

New Zealand · Marketing, search, advertising and channels

New Zealand's high generative AI use [16] suggests customers already meet AI assistants during research and service. English dominates.

New Zealand · Opportunities

- Ready consumers: high AI familiarity [16] supports AI-led service, search and content experiences.
- Data-residency solutions for regulated buyers, using local Microsoft and AWS regions [890].
- Trans-Tasman scale: Australian compliance work (ADM disclosure, children's code) can often be extended to New Zealand clients. This is an analyst view.

New Zealand · Barriers and risks

- Small market and low private AI investment (outside Stanford's top 15 geographic areas for private AI investment in 2025) [439].
- Thin official data on business AI adoption.

New Zealand · Outlook 2026–27

- Working-age generative-AI use has risen about 1–3 percentage points per reporting period [16] [17]. That is the observed trend, not a forecast.

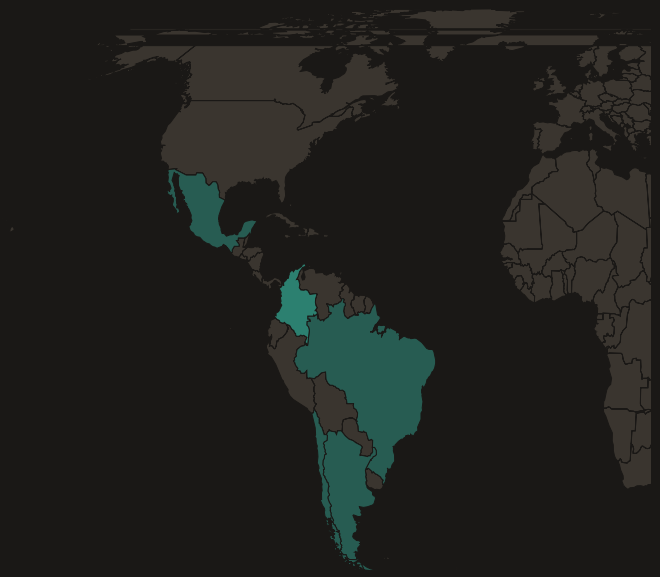
Notes and sources

1. Microsoft AI for Good Lab, "Global AI Diffusion Q2 2026", 2026-09 link [16]
2. Microsoft AI for Good Lab, "AI Diffusion Report 2025 H2", 2026-01 link [17]
3. Introl, "Australia and New Zealand AI infrastructure" (cites Microsoft NZ, 12 Dec 2024), 2025 link [890]
4. Verity News, "Private AI Investment by Geographic Area" (Stanford AI Index 2026 data), 2026 link [439]

Part 2 · Region 10

Latin America

But on actual people using AI, the order changes. Microsoft's AI Diffusion Report puts the share of 15-64 year-olds who used a generative AI product in June 2026 at 25.9% in Colombia, 24.0% in Chile, 23.4% in Argentina, 21.4% in Mexico and 20.2% in Brazil. All five beat the global 18.8% and the Global South's 16.2%. All five trail the Global North's 28.8%. ILIA's web-traffic data tells the same story: Colombia (4.4 visits to AI tools per internet user) and Chile (4.3) are "high intensity". Brazil (3.2) is medium.



AI users, % of working-age people (Q2 2026)

Colombia	25.9%
Chile	24.0%
Argentina	23.4%
Mexico	21.4%
Brazil	20.2%
Global average (Microsoft)	18.8%

In this region

Brazil	265
Mexico	274
Argentina	282
Chile	287
Colombia	292

Latin America · 37 of 46

Brazil

Deep dive BRA



Brazil is Latin America's largest AI market by users, public money and data-centre pipeline, but its AI law is stalled: PL 2338/2023 passed the Senate in December 2024 and is still awaiting the rapporteur's report in the Chamber, with the vote pushed past the October 2026 elections.

20.2%
of working-age people use AI · rank 58 of 147
Microsoft AI Diffusion, Q2 2026

17%
of firms use AI (enterprises with 10+ employees (13% in 2024...)
CETIC.br / NIC.br, 2025

More than $2.4bn
AI spending forecast for 2025
IDC Brazil predictions 2025, 2025

185m
internet users
DataReportal / Kepios, 2025

Key dates, 2026–27

2026-10-04	General election first round (runoff 2026-10-25)
2026-12	ANPD AI regulatory sandbox pilot ends
2026-2027	Receita Federal regulation to operationalise Redata
2026-Q4	Chamber special committee expected to report/vote PL 2338 after elections (rapporteur statement...

How AI is regulated

Existing law and sector regulators

What to watch

- 4 and 25 Oct 2026 elections; new President and Congress from 2027
- After the October 2026 elections: PL 2338 work resumes, with no date set for the committee report; Senate re-vote if amended
- Dec 2026: ANPD AI sandbox ends; guidance on automated decisions expected to follow

Brazil · Market and adoption

- **Firms (official survey).** In CETIC.br's TIC Empresas 2025, 17% of companies with 10+ staff used AI in 2025, up from 13% in 2024. Small firms (10-49) rose from 10% to 15%, and large firms (250+) from 38% to 50%. Natural-language generation use among AI users rose from 20% to 30%. 80% of AI users buy ready-made software and 60% hire outside providers [894].
- **Industry (official statistic).** In IBGE's PINTEC, 41.9% of industrial firms with 100+ staff used AI in 2024, up from 16.9% in 2022 (4,261 firms against 1,619). Adoption was 57.5% in firms with 500+ staff. Leading sectors were electronics (72.3%), electrical machinery (59.3%) and chemicals (58%) [895].

- **People.**
- In TIC Domicílios 2025, 32% of internet users aged 10+ use AI, about 50 million people. That is 69% in class A but 16% in classes D and E [896].
- Microsoft's diffusion measure went from 15.6% (H1 2025) to 17.1% (H2 2025) to 20.2% (Q2 2026) [16] [17].
- ILIA ranks Brazil first in the region on adoption (71.15). Brazil makes up 37% of regional visits to AI web tools, at 3.2 visits per internet user [897].
- **ChatGPT.** Brazil is OpenAI's #3 market by weekly users. It sends about 215 million messages a day (August 2026), and users nearly doubled in a year (OpenAI figures, claimed). In June 2026, 35% of messages from individual ChatGPT accounts were work-related, against 30% globally [898]. The September 2025 figures were about 140 million messages a day and 50 million+ unique users [899].
- **Spending.** IDC forecast Brazilian AI spending above US$2.4bn in 2025 (infrastructure, software and services), and found 90% of large firms have an active use case [900]. ABES/IDC: IT investment grew 18.5% (global: 14%), led by hardware at 47% of spend [901].
- **Vendor claim.** An AWS-commissioned study claims about 9 million firms (about 40%) use AI "systematically" [902]. It includes micro-firms, so it does not compare with CETIC's figure.
- **Base and talent.** 185 million internet users (86.9%) and 150 million social identities [903]. LinkedIn AI talent concentration rose 107% (2019-2025) [117], but ILIA still flags talent as Brazil's main weakness [897].

Brazil · Policy and regulation

- **PL 2338/2023.** A risk-based framework (excessive, high and other risk) with a chapter of rights for affected people [904]. Timeline:
- Chamber received it on 17 March 2025 [905].
- Special committee created on 20 May 2025, with rapporteur Aguinaldo Ribeiro (PP-PB) [906].
- Vote targets missed in December 2025, February 2026, May 2026 and June 2026 [907] [908] [909] [910].
- On 24 August 2026 Ribeiro said the vote comes "after the October elections". The status is still "Aguardando Parecer" [911] [905].
- Any Chamber change sends the text back to the Senate [904].
- **SIA bill (December 2025).** It creates a National AI System led by a council of up to five ministries plus the ANPD. The ANPD sets general rules and regulates sectors that have no regulator of their own [912].
- **LGPD and the ANPD.**
- LGPD Article 20 already gives a right to review decisions made solely by automated means.
- The ANPD's 2026-27 enforcement map names AI as a priority. Its AI sandbox (Metatext, Synapse, IA Greenworld) runs to December 2026 [904], with first results published in July 2026 [913].

- It ordered WhatsApp to hire an independent audit of data sharing with Meta (November 2025) [914]. It had earlier suspended Meta's AI training on Brazilian data [904].
- **Competition.** CADE suspended new WhatsApp Business terms that would block rival AI chatbots (12 January 2026) [915]. Meta won a temporary injunction [916]. CADE's tribunal upheld the measure unanimously on 4 March [917] and kept a R$250,000 daily fine in April 2026 [918], but a federal court suspended that fine on 29 April [919].
- **Elections and AI marketing.** TSE rules require AI labels and ban deepfakes in campaigns. They bar new AI content about candidates from 72 hours before the vote until 24 hours after, and stop chatbots from recommending candidates. OpenAI, Anthropic and ElevenLabs joined the TSE's disinformation programme on 16 July 2026 [920]. The vote is on 4 October, with a runoff on 25 October 2026 [921].
- **PBIA.**
- By December 2025: 25 of 54 actions delivered and R$6.47bn secured (Finep R$4.5bn, BNDES R$1.2bn) [922].
- On 20 August 2026 Lula added R$2.3bn (US$443m). About R$1bn goes to a tender for a top-10 AI supercomputer in Rio Grande do Norte, due by end-2027. R$1.3bn goes to a Rio project with Huawei and iFlytek. There is also a sovereign cloud with Serpro [923].
- BNDES has approved R$4.7bn for AI since 2023 [924]. INSPIRE funds public-sector AI with R$390m [925].
- **Redata (Lei 15.504/2026, 15 September 2026).** Five years of tax suspension on data-centre IT equipment [926]. Conditions: at least 10% of capacity for the domestic market, renewable power, water at or below 0.05 L/kWh, and R&D spending of 2% of the value of the tax-relieved equipment (lower thresholds in the North, Northeast and Centre-West). It costs R$5.2bn (about US$1.01bn) in 2026 [927]. Implementing rules are pending [928].
- **Geopolitics.** Brazil is a founding member of China's WAICO (July 2026) [929]. The USTR's June 2026 tariff threat cites Pix [930].

Exhibit 2.72: Brazil: the rules that matter for AI

Source: Research notes and official texts for Brazil; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
PL 2338/2023 (AI legal framework) [911]	[draft]	Passed Senate 10 Dec 2024; in Chamber special committee 'Aguardando Parecer'; vote expected after Oct 2026 elections; returns to Senate if amended	Risk-based duties (excessive/high/other risk), rights for affected persons, impact assessments for high-risk uses; copyright remuneration for training data is contested
Executive bill creating the National AI System (SIA) and Brazilian AI Council (CBIA) [912]	[proposed]	Sent to Congress Dec 2025	ANPD becomes residual AI regulator and coordinator; sets transparency, impact-assessment and incident-reporting rules where no sector regulator exists

Law or rule	Status	Effective	What it means for business
LGPD (Lei 13.709/2018), Art. 20 automated decisions [904]	[in force]	in force; ANPD 2026-2027 enforcement map (24 Dec 2025) prioritises AI	Right to review of solely automated decisions (credit, hiring, pricing); ANPD can audit algorithms; AI sandbox runs to Dec 2026
Lei 15.504/2026 (Redata, data-centre tax regime) [928]	[passed]	Signed 2026-09-15; still depends on implementing rules	5-year suspension of import tax, IPI, PIS/Cofins on DC IT equipment if >=10% capacity serves domestic market, renewable power, WUE <=0.05 L/kWh, 2% R&D; tax cost R$5.2bn in 2026
TSE Resolution 23.732/2024 and March 2026 update (AI in elections) [920]	[in force]	2026 general election (4 Oct / 25 Oct 2026)	Deepfake ban in campaigns, mandatory AI labels, 72h pre-vote to 24h post-vote blackout on new AI content of candidates, chatbots barred from recommending candidates
CADE preventive measure on WhatsApp Business AI terms [917]	[partly in force]	2026-01-12; upheld 2026-03-04; R$250k/day fine kept Apr 2026, then suspended by a federal court on 2026-04-29 [919]	Meta cannot apply new terms that would exclude rival AI chatbot providers from WhatsApp Business in Brazil while the inquiry runs

Brazil · Ecosystem and big-tech moves

- **OpenAI.** It opened a São Paulo office on 27 August 2026, with partners including ITA, IMPA, HC-USP, ENTER and São Paulo City Hall [898]. It has a Claro ChatGPT Plus bundle (September 2025) [899] and is preparing ads for the Free and Go tiers [931]. Nubank's David Vélez joined OpenAI's board in July 2026 [932].
- **Meta.** The Meta AI app launched in August 2025 [933].
- **Data centres.**
- TikTok: more than R$200bn (US$37.7bn) planned at Pecém, with Omnia and Casa dos Ventos (December 2025) [934]. The first phase costs R$11bn [935]. Brazil's Federal Public Prosecutor and Public Defender went to court in September 2026 to stop operations at Pecém until there is further environmental assessment and consultation with the Anacé Indigenous people [936].
- Scala AI City: 54 MW (US$500m) first phase and 4.75 GW potential [937], with 1.8 GW of grid access by 2033 [936].
- Ascenty: US$1.2bn and 150 MW contracted, including the 90 MW Sumaré 3 in 2027 [938].
- Magalu Cloud: R$300m from BNDES [939]. Microsoft's R$14.7bn pledge dates from 2024 [940].
- The energy ministry counts 205 operating data centres and 38 GW of grid requests (June 2026) [936].

- **Portuguese-language AI.** SoberanIA launched in December 2025 with R$35m (MCTI, Piauí, Telebras, UFPI, Modular, Scala). It already runs a WhatsApp police-report service [941]. Google announced its GAIA open model for Brazil (June 2025) [942]. OpenAI argues PL 2338's copyright pay rules would curb training in Portuguese [943].

Brazil · The AI services market and pricing

- **What buyers buy.** Mostly ready-made software (80%) and outside providers (60%) [894]. Also WhatsApp and contact-centre agents, credit and fraud models, and AI-ready colocation.
- **Published prices.**
- Blip: an extra conversation costs R$1.40 (Plus) or R$1.25 (Super). An extra agent seat costs R$150 or R$100. The page was updated October 2024 [944].
- WhatsApp Business Platform: charged per message since July 2025. BRL billing via Facebook Brasil from 1 July 2026, with migration due by 30 June 2027 [945].
- **Public demand.** The SUS Digital lab has 273 AI proposals, with purchases planned in 2026 [946].
- **Delivery models.** SaaS and per-conversation pricing for SMBs. Projects plus managed services for enterprises. In-house builds at big banks.

Exhibit 2.73: Brazil: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
Conversational platform: additional unique conversation (Blip Plus / Super plans)	R$1.40 / R$1.25 per conversation	–	[published]
Conversational platform: additional human agent seat (Blip Plus / Super)	R$150 / R$100	–	[published]
WhatsApp Business Platform messaging	Per-message pricing by template category; BRL rate card and local invoicing by Facebook Brasil from 1 Jul 2026	–	[published]

Brazil · Leading industries and use cases

- **Banking.** Nubank, Itaú, Bradesco and Banco do Brasil top the 2026 Evident AI Index for LATAM banks. Brazilian banks are 35% of the banks covered but 49% of AI use cases with reported outcomes. Itaú runs 500+ use cases, and Nubank uses its own NuFormer credit model [947]. Febraban: a planned R$47.8bn tech budget for 2025, more than 80% of banks using generative AI, and an 11.4% average efficiency gain [948].
- **Retail.** Magalu's WhatsApp shopping assistant passed R$100m in cumulative sales by July 2026 [949]. iFood launched Ailo in October 2025 [950]. Mercado Pago is building an agent "orchestrator" [951].
- **Payments.**

- Visa and Banco do Brasil ran what was reported as Brazil's first agentic transaction, in a controlled environment, on 11 March 2026 [952], and Santander's pilot followed [953]. WhatsApp will test Pix-in-chat [954].
- Pix set a daily record of 318,073,816 transactions on 4 September 2026 [955]. Pix payments to businesses reached R$1.05tn in Q2 2026, against R$1.19tn on cards [956].
- **Industry and government.** See PINTEC [895], SoberanIA [941] and INSPIRE [925].

Exhibit 2.74: Brazil: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Magazine Luiza [949]	Retail	WhatsApp shopping assistant	Surpassed R$100m in cumulative sales by July 2026	Claimed
Visa and Banco do Brasil [952]	Payments	First agentic AI card transaction in Brazil on Visa Intelligent Commerce	AI agent paid on cardholder's behalf in controlled environment	Reported
Itaú Unibanco [947]	Banking	500+ internal AI use cases incl. Pix payments via WhatsApp and fraud checks	Ranked #2 in Evident AI Index LATAM banks 2026	Reported
Government of Piauí / MCTI (SoberanIA) [941]	Public sector	Portuguese-trained model powering B.O. Fácil police reports via WhatsApp and Piauí Oportunidades	Launched nationally 9 Dec 2025 with R$35m	Reported
iFood [950]	Food delivery	Ailo generative AI assistant for conversational ordering	In test for all users	Claimed

Brazil · Marketing, search, advertising and channels

- **Ad spend (agency-placed, Cenp-Meios).**
- 2025 total: R$28.93bn (US$5.21bn). Internet took R$11.75bn (US$2.12bn, 40.6%) and TV 41.3%. Within internet: display and others 60.5%, social 24.4%, video 8.4% and search 6.3% [957].
- In H1 2026 internet (40.7%) passed TV (40.6%) for the second time in the Cenp-Meios panel [958].
- Self-serve buying is excluded, so real digital spend is higher.
- **AI ads.** ChatGPT ads are coming [931]. Mercado Ads claims more than 10% of regional digital ad spend [959].
- **Messaging.** WhatsApp is the commerce layer, which is why the CADE case and Pix-in-chat matter [917] [954].

Brazil · Opportunities

- WhatsApp-native sales and service agents while CADE keeps WhatsApp Business open to rivals [918] [949].
- Agentic payments on Pix and cards [952] [953].
- The 83% of firms not yet using AI, especially small firms at 15% [894].
- The Redata-linked data-centre supply chain [927] [936].
- Public-sector AI buying: SUS, INSPIRE and the sovereign cloud [946] [925] [923].

Brazil · Barriers and risks

- **Regulatory limbo.** PL 2338 is unresolved and needs a second Senate pass [911] [904].
- **WhatsApp competition fight** [27-30].
- **Grid queues and permit fights,** as at Pecém [936].
- **Talent gaps** [897].
- **Income-linked usage gaps** [896].
- **US tariff threat** tied to Pix [930].

Brazil · Outlook 2026–27

- 4 and 25 October 2026: elections [921].
- After the October 2026 elections: the rapporteur says work on PL 2338 resumes in full, but no date is set for the committee report; any Chamber changes send the bill back to the Senate [911] [904].
- December 2026: the ANPD sandbox ends [904].
- 2026-27: Redata implementing rules [928] and the ChatGPT ads rollout [931].
- End-2027: the Rio Grande do Norte supercomputer [923].
- 30 June 2027: WhatsApp BRL migration deadline [945].
- 2028: PBIA ends [922].

Notes and sources

1. Antihype, "Lei da IA no Brasil fica para depois das eleições de outubro", 7 Sep 2026 link [911]
2. Contábeis, "PL da Inteligência Artificial tem votação adiada", 10 Jun 2026 link [910]
3. IA Brasil Notícias, "PBIA tem 25 ações com entregas e R$ 6,47 bilhões já garantidos", 23 Dec 2025 link [922]
4. Teletime, "Governo sanciona Redata com benefícios para data centers", 15 Sep 2026 link [928]
5. Microsoft, "Global AI Diffusion Q2 2026", Sep 2026 link [16]
6. Cetic.br, "Uso de IA por empresas brasileiras avança e atinge 17%", 15 Jun 2026 link [894]
7. Agência Brasil (IBGE PINTEC), "Número de empresas industriais que usam IA cresce 163% em dois anos", 24 Sep 2025 link [895]
8. DPL News, "Metade dos brasileiros conectados já usa IA, aponta TIC Domicílios 2025", 31 Dec 2025 link [896]
9. Microsoft, "Global AI Adoption in 2025: A Widening Digital Divide", Jan 2026 link [17]
10. CEPAL/CENIA, ILIA 2025 country fiches, Mar 2026 link [897]
11. Olhar Digital, "OpenAI abre escritório em SP e revela Brasil envia 215 milhões de mensagens ao ChatGPT por dia", 27 Aug 2026 link [898]

12. DPL News, "Claro Brasil fecha parceria com ChatGPT", 4 Sep 2025 link [899]
13. DPL News, "Inversiones en IA en Brasil superarán 2.4 mil mdd en 2025: IDC", 17 Feb 2025 link [900]
14. DPL News, "Corrida por IA infla investimentos em TI no Brasil acima da média global", 31 Mar 2026 link [901]
15. DataReportal, "Digital 2026: Brazil", late 2025 link [903]
16. The Rio Times, "How AI Is Reshaping Customer Service for Brazilian Businesses", 19 Aug 2026 link [902]
17. Stanford HAI, "AI Index Report 2026", Economy chapter link [960]
18. DIAP, "PL 2338/23: votação prevista apenas para dezembro", 30 May 2025 link [906]
19. CASRAI, "Brazil's AI Bill PL 2338: Approved, Not Law", updated 25 Sep 2026 link [905]
20. Teletime, "PL de Inteligência Artificial fica para fevereiro de 2026", 16 Dec 2025 link [907]
21. Grownt, "PL da IA avança na Câmara, mas Redata e impasse com o Senado travam o calendário", 25 May 2026 link [908]
22. DPL News, "Hugo Motta descarta adiar PL de IA para 2027 e quer votar ainda em junho", 29 May 2026 link [909]
23. Confidata, "ANPD e Regulação de IA no Brasil: Guia 2026-2027", 15 Dec 2025 (updated 18 Apr 2026) link [904]
24. DPL News, "Brasil \| Gobierno propone sistema nacional de IA", 11 Dec 2025 link [912]
25. DPL News, "Publicados primeiros resultados do sandbox regulatório em IA", 3 Jul 2026 link [913]
26. DPL News, "ANPD de Brasil obliga a WhatsApp a contratar una auditoría independiente", 17 Nov 2025 link [914]
27. DPL News, "Cade manda Facebook e WhatsApp suspenderem restrições a IAs rivais", 13 Jan 2026 link [915]
28. DPL News, "Justiça concede liminar à Meta para suspender decisão do Cade sobre IA", 23 Jan 2026 link [916]
29. DPL News, "Cade mantém proibição ao WhatsApp de restringir IA de concorrentes", 5 Mar 2026 link [917]
30. DPL News, "Cade mantém multa de R$ 250 mil por dia contra WhatsApp e Facebook", 24 Apr 2026 link [918]
31. The Rio Times, "Brazil's TSE Brings OpenAI, Anthropic and ElevenLabs Into 2026 Election Disinformation Pact", 18 Jul 2026 link [920]
32. The Rio Times, "Brazil AI Plan Puts US$443 Million Into Supercomputers", 21 Aug 2026 link [923]
33. DPL News, "BNDES injetou R$ 4,7 bilhões em ... inteligência artificial", 23 Feb 2026 link [924]
34. DPL News, "Brasil lanza proyecto de 70 mdd para aplicar IA en servicios públicos", 30 Sep 2025 link [925]
35. The Rio Times, "Brazil's Senate Clears Data Centre Tax Breaks", 1 Sep 2026 link [927]
36. The Rio Times, "Brazil Joins China-Led AI Body WAICO as US Stays Out", 3 Aug 2026 link [929]
37. DPL News, "EE. UU. propone elevar aranceles a Brasil hasta 25% por Pix...", 2 Jun 2026 link [930]
38. The Rio Times, "ChatGPT Ads Brazil Pilot to Test AI Monetization", 4 Aug 2026 link [931]
39. The Rio Times, "Nubank Founder David Vélez Joins OpenAI Board", 22 Jul 2026 link [932]
40. DPL News, "Meta AI ganha aplicativo próprio e é lançado no País", 12 Aug 2025 link [933]
41. Yahoo Finance, "TikTok plans to invest $37.7bn in data centre in Brazil", Dec 2025 link [934]
42. DPL News (Valor), "construirá um data center de R$ 11 bilhões para o TikTok", 30 Mar 2026 link [935]
43. Econosur, "Can South America Compete for AI Data Centers?", Sep 2026 link [936]
44. PR Newswire (Scala), "Scala AI City: MME Approves 5 GW Power Connection", 14 May 2025 link [937]
45. DPL News, "Ascenty anuncia US$ 1,2 bilhão para expansão de data centers voltados à IA", 28 May 2026 link [938]
46. DPL News, "Magalu Cloud recebe aporte de R$ 300 mi do BNDES", 26 May 2026 link [939]
47. Microsoft News Center Brasil, "Microsoft announces 14.7 billion Reais investment", Sep 2024 link [940]
48. DPL News, "Brasil lança 1º modelo de IA treinado 100% em português", 10 Dec 2025 link [941]
49. DPL News (Mobile Time), "Google anuncia criação da GAIA, modelo de IA dedicado ao Brasil", 11 Jun 2025 link [942]
50. Blip, "Planos da Plataforma Blip" (pricing page, updated Oct 2024) link [944]
51. Meta for Developers, "Pricing on the WhatsApp Business Platform", accessed Sep 2026 link [945]
52. DPL News, "Governo prepara contratação de soluções de IA para o SUS ainda em 2026", 20 Jun 2026 link [946]

53. The Rio Times, "Brazil's Nubank, Itaú Lead Latin America AI Bank Ranking", 21 Jul 2026 link [947]
54. DPL News, "Bancos no Brasil investem R$ 47,8 bi em IA, nuvem, Pix e open finance", 15 Apr 2025 link [948]
55. The Rio Times, "Magazine Luiza Posts US$14M Q2 Loss as Online Sales Fall 12%", 7 Aug 2026 link [949]
56. DPL News, "iFood lanza Ailo, un asistente de IA", 13 Oct 2025 link [950]
57. DPL News, "Mercado Pago vai transformar seu agente de IA em orquestrador", 16 Feb 2026 link [951]
58. DPL News, "Visa e BB realizam a primeira transação com IA agêntica", 13 Mar 2026 link [952]
59. DPL News, "Santander y Visa completan ... primeros pagos gestionados por agentes de IA", 19 Mar 2026 link [953]
60. DPL News (Mobile Time), "WhatsApp terá Pix com iniciador de pagamento", 10 Mar 2026 link [954]
61. The Rio Times, "Brazil's Pix Record: 318 Million Payments in One Day", 7 Sep 2026 link [955]
62. The Rio Times, "Pix Is About to Pass Cards at Brazil's Checkout", 2 Sep 2026 link [956]
63. Cenp-Meios, "Painel 2025, Jan a Dez, 330 agências", published Mar 2026 link [957]
64. Cenp-Meios, "Painel 2026, Jan a Jun, 306 agências", published Sep 2026 link [961]
65. The Rio Times, "What Is Mercado Libre? ... Explained", 25 Sep 2026 link [959]
66. Wikipedia, "2026 Brazilian general election", accessed Sep 2026 link [921]
67. DPL News (Convergência Digital), "OpenAI: Brasil é top 3 no ChatGPT, mas marco legal limita IA em português", 26 May 2025 link [943]
68. Stanford HAI, AI Index Report 2026, full report PDF (section 4.4), Apr 2026 link [117]
69. Mattos Filho, note on the special tax regime for data centres (Redata), Sep 2026 link [926]
70. Propmark, report on the Cenp-Meios panel for January-June 2026, 2026 link [958]
71. Mobile Time, report on a federal court suspending CADE's daily fine on WhatsApp, 30 Apr 2026 link [919]

Latin America · 38 of 46

Mexico

Deep dive MEX



Mexico's AI story in 2026 is hardware and data centres more than policy: computer and AI-server exports hit US$82.9bn in H1 2026 (+172.1%, S&P Global), rivalling car exports (US$74.8bn on S&P's measure; US$92.3bn on INEGI's), and operating data-centre capacity rose from 115 MW (2023) to 279 MW (2026), clustered in Querétaro.

21.4%
of working-age people use AI · rank 55 of 147
Microsoft AI Diffusion, Q2 2026

72%
of firms adopting some AI (Lenovo-commissioned IDC survey, claimed)
Lenovo CIO Playbook, 2025

$0.4bn
private AI investment
Accenture 'The Gen AI lever' via Expansi, 2024

110m
internet users
DataReportal / Kepios, 2025

Key dates, 2026–27

2026-07-01	USMCA joint review: US declines renewal; pact moves to annual reviews (expires 2036 without...
2026-09	Fourth bilateral USMCA negotiating round in Washington
2026-2027	Senate AI Commission: constitutional reform then General AI Law (no date set)
2026-2031	MEXDC projects US$20.63bn direct data-centre investment

How AI is regulated

Existing law and sector regulators

What to watch

- Sep 2026 onwards: USMCA negotiating rounds, with annual reviews already under way
- 2026-27: constitutional reform on AI powers, then General AI Law (no date)
- 2026-27: electoral AI-labelling reform debate

Mexico · Market and adoption

- **People.** Microsoft's diffusion measure rose from 16.7% (H1 2025) to 17.8% (H2 2025), 20.1% (Q1 2026) and 21.4% (Q2 2026) [16][17]. The AIMX 2026 internet-habits study (May 2026) finds 50% of internet users use AI and 58% of them view it positively. Mexicans spend about six hours a day online. Messaging (67%) and social media (62%) are the top activities [962]. ILIA measures low usage intensity, at 2.1 visits to AI web tools per internet user [897]. Meta says Mexico ranks fourth in the world for Meta AI use (June 2025) [963].
- Evidence so far is vendor and consultancy surveys:

- A Lenovo CIO Playbook survey run by IDC (500+ LATAM firms) says 72% of Mexican firms are adopting some AI solution, with AI spend up 2.4x (September 2025; claimed) [964].
- The 2026 Digital Maturity Report (Needed Education with KIO, EY and AmCham) finds maturity rose from 41% to 47%. It reports AI budget shares of 2-10%, against 20% or 30% in the US, and puts Mexico three to five years behind leaders [965].
- **Value at stake.** Accenture (September 2025) estimates generative AI could add US$305bn to GDP by 2038 (+18% over baseline) and change 42% of work hours. It ranks Mexico 45th globally on AI adoption. It also says Mexican companies invested about US$444m in AI in 2024 (Accenture estimate, claimed), the region's second-largest source of private AI investment [966]. The science secretary (Secihti), Rosaura Ruiz, repeated the US$444m figure for AI investment in 2024; CCE president Francisco Cervantes cited US$9bn in expected additional investment (November 2025) [967].
- **Jobs.** México, ¿cómo vamos? estimates 2.93 million jobs (4.9%) have medium-to-high exposure to generative AI: 7.7% of women workers against 3% of men [968]. AI skills appeared in 1.38% of job postings in 2025 (Lightcast) [61].
- **Base.** 110 million internet users (83.5%), 99.0 million social media identities and 145 million mobile connections [969].

Mexico · Policy and regulation

- **No comprehensive AI law.** The Senate's AI Commission, chaired by Rolando Zapata Bello, sent members draft chapters of a "General Law to Regulate and Promote the Use of AI" on 19 September 2025. The draft merges at least eight bills and covers high-risk systems, neuro-rights, transparency and sanctions [970]. In April 2026 Zapata Bello set out a two-step plan. First comes a constitutional reform giving Congress express powers over AI. Then a general law follows that is "flexible and pro-investment" and regulates uses, not the technology itself [971].
- **AI cloning reform.** This was a Sheinbaum initiative reforming the Federal Copyright Law and Federal Labour Law. The Chamber approved it on 7 April 2026 (335 in favour, 129 abstentions) [972], and it was published in the official gazette on 14 May 2026 [973]. It protects performers' and voice actors' image and voice, with penalties of up to 40,000 days of minimum wage. Protection for ordinary people was removed from Article 87 before passage [973]. The tech association AMITI warned it could complicate the USMCA review [972].
- **Elections and platforms.** Sheinbaum's March 2026 electoral reform proposal requires AI-generated campaign content to be labelled. It makes broadcasters and platforms responsible for spotting and flagging unlabelled content [974]. In June 2026 she said social media and AI "must be regulated at some point", asked the education ministry to consult parents, and cited Brazil as a model [975].
- **Data protection.** The INAI data-protection watchdog was abolished in 2025. Its public-sector functions moved to the Anti-Corruption and Good Government ministry, while the private-sector regime stays in place. A state commissioner says AI has "no regulation of any kind" [976].
- **National agenda (Plan México).**

- The digital agency ATDT, headed by José Antonio Peña Merino, was proposed MXN 3,852m for 2026, the largest budget for a Mexican telecom regulator in more than a decade [977].
- A Mexican Supercomputing Centre inside the Barcelona Supercomputing Center was announced on 19 November 2025 [978]. The Mexican Supercomputing Programme started on 25 March 2026 on MareNostrum 5 (314 petaflops). It is a stepping stone to a domestic supercomputer called "Coatlicue" [979].
- Secihti plans a national supercomputing cluster with ATDT and 12 lighthouse AI projects [967]. It presented 13 strategic tech projects, with Olinia and AI at the core, on 1 July 2026 [980].
- A public AI training centre with IBM and others targets 25,000 students by 2026 [981].
- **Trade.** At the 1 July 2026 USMCA joint review the US declined to renew. The pact now faces annual reviews and expires in 2036 without renewal, with a September 2026 round seen as decisive [982]. Qualifying servers enter the US duty-free while cars pay 25% [983].

Exhibit 2.75: Mexico: the rules that matter for AI

Source: Research notes and official texts for Mexico; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Reform to Federal Copyright Law and Federal Labour Law on AI cloning of voice and image [973]	[in force]	Published in DOF 2026-05-14 (Chamber approved 2026-04-07, 335 votes in favour)	Consent needed to use performers' and voice actors' image/voice with AI; penalties up to 40,000 days of minimum wage; ordinary people's likeness not covered
Ley General para Regular y Fomentar el Uso de la IA (Senate AI Commission draft) [971]	[draft]	Chapters circulated 19 Sep 2025; constitutional reform giving Congress AI powers to come first (Apr 2026)	Would add high-risk system rules, transparency, non-discrimination and sanctions; senator promises 'flexible, pro-investment' approach
Presidential electoral reform initiative with AI-content labelling [974]	[proposed]	Sent Mar 2026	Broadcasters and digital platforms responsible for identifying and warning about unlabelled AI electoral content

Mexico · Ecosystem and big-tech moves

- **Servers.** Foxconn is building Nvidia GB200 systems in Guadalajara, with close to US$900m in Jalisco. Quanta, Wistron and Pegatron also run plants in Jalisco, Nuevo León and Chihuahua. In H1 2026, 93.9% of computer-equipment exports went to the US [983].
- **Data centres.**
- Operating capacity rose from 115 MW (2023) to 279 MW (2026) [984].
- The industry association MEXDC forecasts US$20.63bn of direct investment for 2026-2031, plus US$61.89bn indirect [985].
- AWS pledged US$5bn for its Querétaro region (January 2025). Querétaro holds about 72% of projects. The largest site runs about 149 MW, while MEXDC says serious AI needs at least 250 MW per site [986].

- CloudHQ plans US$4.8bn for six data centres in Querétaro (48 MW IT on the first campus; 900 MW planned in total) [987].
- The grid is the constraint. The reserve margin was about 3% in 2024, below the 6% seen as safe, and connections take around five years. CFE plans US$23.4bn for 2024-2030. Salesforce pledged US$1bn over five years [986].
- **Platforms.** Mercado Libre announced a US$3.4bn investment in Mexico for 2025 (+38%, company claim), taking its five-year total above US$10bn. It is using AI across commerce and fintech [988]. OpenAI's ads pilot includes Mexico [931]. Accenture and AWS announced a joint investment to launch a cloud and AI innovation and delivery centre in Mexico City in May 2026 [989].
- **Local players.** Yalo (Oris AI sales agent) [990], IAMEX ("I'AM Chat", December 2025) [991] and Tiendanube (Lumi, launched in Mexico in May 2026) [992].

Mexico · The AI services market and pricing

- **What buyers buy.** Productivity assistants, coding tools, customer-service agents, and sales and procurement automation [964] [965]. There are also cloud migration projects tied to the new local cloud regions [989].
- **Pricing.** No published local prices for AI consulting days, chatbot builds or agent retainers were found. Useful reference points:
- BBVA México says contact-centre service costs it MXN 402m a year. That is the budget its "Blue" generative AI assistant targets [993].
- AI budget shares are 2-10%, against 20% or 30% in the US [965].
- IAB México and IPADE published a 2025 study on AI adoption in ad agencies. It reports efficiency gains, but also gaps in talent, process and business model [994].
- **Delivery models.** Hyperscaler partner projects (Accenture-AWS), SaaS with embedded AI (Tiendanube, Yalo), and bank and telco in-house platforms.

Exhibit 2.76: Mexico: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
Reference: annual contact-centre cost targeted by genAI assistant (BBVA México)	MXN 402m per year	–	Claimed
AI budget share (the source does not name the base)	2-10% in Mexico vs 20% or 30% in the US	–	Survey

Mexico · Leading industries and use cases

- **Electronics manufacturing.** AI server assembly for US hyperscalers [983].

- **Banking.** BBVA México's Blue is gradually replacing phone menus (IVR). BBVA promises routing to a solution in about 30 seconds, and the bank claims 95% effectiveness (5% errors or hallucinations). Its contact-centre channel, where Blue is gradually replacing IVR, already accounts for 13% of sales [993].
- **Telecom and media.** Televisa plans to replace human-staffed call centres at izzi and Sky with AI (March 2026) [995].
- **Retail and marketplaces.** Kantar Media Reactions 2025 ranks Mercado Libre #1 for ad preference in Mexico and LATAM. It claims retail media on the platform is 8.5x more efficient than TV for brand impact at the regional level [996].
- **Payments.** Santander and Visa announced an AI-agent book purchase in Mexico in March 2026 [953].
- **Public sector.** Weather forecasting on MareNostrum 5 [979].

Exhibit 2.77: Mexico: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
BBVA México [993]	Banking	Blue generative AI assistant replacing IVR	Promises routing in ~30 seconds; 95% effectiveness, 5% errors or hallucinations (bank claim); 13% of sales via contact-centre channel	Claimed
Televisa (izzi, Sky) [995]	Telecom/media	AI to replace human call centres	Announced Mar 2026	Reported
ATDT / Conagua with Barcelona Supercomputing Center [979]	Public sector	Weather-forecast research on MareNostrum 5	Programme started 25 Mar 2026	Reported
Santander and Visa [953]	Payments	AI agent-initiated purchase (books) in Mexico	Pilot completed in 5 LATAM markets	Reported

Mexico · Marketing, search, advertising and channels

- **Ad spend.** The latest public total is MXN 134,891m for 2023 (Valor Total Media, 5th edition). Digital grew 7.7% that year, against 9.0% for the whole market [997].
- **Messaging and commerce.** Meta says 86% of Mexicans interact with a business on WhatsApp at least weekly, and about 65% bought through WhatsApp during Hot Sale (June 2025) [963].
- **Retail media.** Mercado Ads is a top-3 media player in LATAM by its own claim [996], with more than 10% of regional digital ad spend [959].

- **AI assistants.** ChatGPT ads are coming to the Free and Go tiers [931]. No data on AI search share was found.
- **Language.** Spanish-first. The local assistant IAMEX pitches Mexican context [991]. Chile's MinCiencia and Mexico's Secihti signed an AI cooperation letter of intent in December 2025 [998].

Mexico · Opportunities

- **Nearshoring AI hardware and DC services.** This covers power, cooling, sites of at least 250 MW for serious AI work and grid solutions [983] [986].
- **WhatsApp-first commerce agents** for a market where most people message businesses weekly [963].
- **Retail media and AI creative for Mercado Libre and marketplaces** [996] [959].
- **Moving past pilots.** The digital maturity report finds firms stuck at the pilot stage with budgets of only 2-10% [965]. That opens space for ROI-proven agent deployments in contact centres, as BBVA and Televisa show [995] [993].
- **Public AI training and supercomputing programmes** via ATDT and Secihti [979] [981].

Mexico · Barriers and risks

- **Power.** A thin grid reserve margin and five-year connection times [986].
- **Regulatory vacuum.** There is no AI law or strategy, and data protection is being reorganised [897] [976].
- **USMCA uncertainty.** The pact is under annual review [982].
- **Low usage intensity** (2.1 AI visits per internet user) [897].
- **Talent gaps** [999].

Mexico · Outlook 2026–27

- September 2026 onwards: USMCA bilateral rounds, with annual reviews already under way [982].
- 2026-27: the Senate AI Commission's constitutional reform, then a General AI Law. No date is set [971].
- 2026-27: the electoral reform with AI labelling works through Congress [974].
- 2026-27: work continues toward the Coatlicue public supercomputer [979].
- 2026-2031: MEXDC expects US$20.63bn of direct data-centre investment [985].
- Continuing: ChatGPT ads roll out in Mexico [931].

Notes and sources

1. The Rio Times, "Mexico AI Servers Drive a US$82.9 Billion Export Surge as Car Exports Stall", 18 Aug 2026 link [983]
2. CEPAL/CENIA, ILIA 2025 country fiches, Mar 2026 link [897]
3. Microsoft, "Global AI Diffusion Q2 2026", Sep 2026 link [16]
4. Microsoft, "Global AI Adoption in 2025", Jan 2026 link [17]

5. DPL News, "50% de los usuarios de Internet en México ya usa IA: AIMX", 18 May 2026 link [962]
6. DPL News, "La IA no es una burbuja: 72% de las empresas en México ya la usan, afirma Lenovo", 3 Sep 2025 link [964]
7. DPL News, "Madurez digital de empresas mexicanas alcanza 47%... IMD 2026", 4 Jul 2026 link [965]
8. Expansión, "México lideraría la IA generativa en América Latina" (Accenture), 10 Sep 2025 link [966]
9. DPL News, "México quiere ser líder en IA con tecnología de Nvidia", 12 Nov 2025 link [967]
10. The Rio Times, "Nearly 3 Million Mexican Jobs Are Exposed to Generative AI", 11 Aug 2026 link [968]
11. Stanford HAI, "AI Index Report 2026", Economy chapter link [960]
12. DataReportal, "Digital 2026: Mexico", late 2025 link [969]
13. DPL News, "Senadores avanzan en creación de marco normativo para regular IA en México", 1 Oct 2025 link [970]
14. DPL News, "Regulación de IA debe ser flexible y pro inversiones en México: Zapata Bello", 23 Apr 2026 link [971]
15. DPL News, "Iniciativa sobre IA puede afectar revisión del T-MEC: AMITI", 14 Apr 2026 link [972]
16. The Rio Times, "Mexico's AI Cloning Law May Not Cover the Case Testing It", 13 Sep 2026 link [973]
17. DPL News, "Sheinbaum propone etiquetar contenido hecho con IA en procesos electorales", 4 Mar 2026 link [974]
18. DPL News, "Sheinbaum: tiene que llegar un momento de regular redes sociales e IA", 3 Jun 2026 link [975]
19. El Economista, "México reconfigura su gobernanza de datos en medio del vacío regulatorio de la IA", 5 Feb 2026 link [976]
20. DPL News, "Sheinbaum entrega a la ATDT el mayor presupuesto que ha tenido un regulador telecom", 11 Sep 2025 link [977]
21. DPL News, "México creará un centro de supercómputo público en Barcelona", 19 Nov 2025 link [978]
22. DPL News, "Arranca Programa de Supercómputo...", 26 Mar 2026 link [979]
23. DPL News, "Gobierno de México anuncia Centro Público de Formación en IA", 7 Nov 2025 link [981]
24. DPL News, "México apuesta por la soberanía tecnológica con 13 proyectos; Olinia y la IA, ejes del plan", 2 Jul 2026 link [1000]
25. The Rio Times, "USMCA Trade Deal Review Fails, Key September Talks Loom", 4 Aug 2026 link [982]
26. DPL News, "México duplica capacidad de Data Centers, pero la energía amenaza su lugar", 22 Apr 2026 link [984]
27. The Rio Times (MEXDC via Mexico Business News), "Mexico Data Centres Are Set for US$20.6 Billion by 2031", 21 Aug 2026 link [985]
28. The Rio Times, "Mexico Data Centers vs. Power Grid: The T-MEC Bottleneck", 13 Aug 2026 link [986]
29. DPL News, "¿Quién es CloudHQ, la empresa que apuesta por el campus de Centros de Datos más grande de México?", 29 Sep 2025 link [987]
30. El Economista, "México ocupa el cuarto lugar mundial en uso de IA de Meta: Marco Casarín", 12 Jun 2025 link [963]
31. The Rio Times, "ChatGPT Ads Brazil Pilot to Test AI Monetization" (Brazil and Mexico added), 4 Aug 2026 link [931]
32. DPL News, "Mercado Libre inversión en México 2025", 7 Mar 2025 link [988]
33. DPL News, "Kantar Media Reactions 2025: Mercado Libre asume el liderazgo absoluto como el medio publicitario preferido en México", 27 Jan 2026 link [996]
34. The Rio Times, "What Is Mercado Libre? ... Explained", 25 Sep 2026 link [959]
35. DPL News, "Accenture y AWS abren en México centro de innovación enfocado en Nube e IA", 20 May 2026 link [989]
36. DPL News, "Televisa apuesta por la IA y eliminará los Call Centers con humanos de Izzi y Sky", 10 Mar 2026 link [995]
37. DPL News, "BBVA México lanza asistente de IA Generativa que reduce tiempos de atención a 30 segundos", 13 Aug 2025 link [993]
38. DPL News, "Tiendanube lanza Lumi... en México", 22 May 2026 link [992]
39. DPL News, "Yalo lanza Oris, primer agente de ventas IA", 15 May 2025 link [990]
40. DPL News, "México presenta I'AM Chat, su primer asistente de IA creado y operado totalmente en el país", 2 Dec 2025 link [991]

41. AVE/CIM/IAB México, "Estudio Valor Total Media" data page (2018-2023 data) link [997]
42. IAB México, "Estudio Adopción de Inteligencia Artificial en las agencias de publicidad" (IPADE + IAB México, 2025) link [994]
43. DPL News, "Santander y Visa completan ... primeros pagos gestionados por agentes de IA", 19 Mar 2026 link [953]
44. DPL News, "La demanda de talento en IA crece 95%; pero hay escasez de personal capacitado", 30 Dec 2025 link [999]
45. DPL News, "MinCiencia Chile y Secihti México firman pacto de cooperación en IA", 6 Dec 2025 link [1001]
46. Stanford HAI, "AI Index Report 2026", Chapter 4: Economy, 2026 link [61]
47. MinCiencia, "Chile y México firman acuerdo para impulsar el desarrollo responsable de la inteligencia artificial", 4 Dec 2025 link [998]
48. La Jornada, "México apuesta por la soberanía tecnológica con 13 proyectos; Olinia y la IA, ejes del plan", 1 Jul 2026 link [980]

Argentina

Country profile ARG



Argentina is the region's deregulation experiment: President Milei calls dystopian AI scenarios 'nonsense', has proposed 'automated companies' run by AI agents without employees, and is pushing a 'Super RIGI' with 30-year stability for AI, chip and data-centre projects above US$1bn (stalled in the Senate in September 2026).

23.4%
of working-age people use AI · rank 49 of 147
Microsoft AI Diffusion, Q2 2026

1 in 3
industrial firms invest in AI (UIA-Accenture study)
UIA and Accenture, 2026

More than $7bn
private AI investment (ILIA estimate, period not stated)
CEPAL/CENIA ILIA 2025 country fiche, 2025

41.6m
internet users
DataReportal / Kepios, 2025

Key dates, 2026–27

2026-2027	Senate debate on companies-law rewrite and 'Sociedad Automatizada'
2026-2027	Watch for Stargate Argentina FID/financing; CAF evaluating syndicated DC finance (Aug 2026)
2026-Q4	Super RIGI: Senate committee report still pending (none on 2 Sep 2026; 10 Sep session dropped)

How AI is regulated

Guidance only, law in drafting

What to watch

- Q4 2026: whether the Senate produces a committee report on Super RIGI
- 2026-27 companies-law debate
- Stargate Argentina FID or not

Argentina · Market and adoption

- **People.** Microsoft's diffusion measure rose from 17.8% (H1 2025) to 23.4% (Q2 2026) [16][17]. ILIA gives Argentina the #2 regional score for generative-AI use (98.6), but only 2.7 AI web visits per internet user [897]. OpenAI says "millions" use ChatGPT weekly and users tripled in a year, with no absolute figure [1002]. AI-platform traffic grew 166% in 2025, according to a report presented by Personal [1003].
- **Work.** 57% of workers use AI at work (Bumeran) [1004]. The first national industry study (UIA-Accenture, March 2026) finds one in three industrial firms invests in AI, and AI could add 1.2 points a year to productivity growth [1005]. There is no official INDEC statistic.

- **Investment and talent.** ILIA estimates private AI investment at "more than US$7bn", the region's highest, without stating the period [897]. Argentina is absent from Stanford's 2025 top 15. LinkedIn AI talent concentration rose 76% (2019-2025) [117].
- **Base.** 41.6 million internet users (90.6%) and 32.9 million social media identities [1006].

Argentina · Policy and regulation

- **No AI law, by design.** Congress received 53 AI bills in 2025, 11 of them comprehensive (6 in the Senate, 5 in the Chamber). None has advanced [1007]. The government's line, set out by science and technology secretary Darío Genua, is to be an AI "developer, not just an adopter", led by deregulation and investment [1008].
- **"Sociedad Automatizada".** Article 14 of the companies-law rewrite allows firms run by AI agents with no employees. They would be liable with their own assets and pay low tax [1009]. Harari and Mustafa Suleyman criticised it [1010]. Sturzenegger briefed the Senate in June 2026 [1011].
- **Super RIGI (Mensaje 181/2026).** For projects of US$1bn+ in AI, chips, biotech and data centres. It proposes 15% income tax, a dividend tax that could fall to 3.5% after four years, phased access to export dollars (20% after year one, 40% after year two, 100% after year three), and 30 years of stability [1012]. It passed the Chamber in June 2026 but stalled in the Senate on 2 September [1013]. Decree 105/2026 already brings AI into the existing RIGI [1013].
- **Alliances.** Argentina joined the US "Pax Silica" AI supply-chain initiative in June 2026 [1014].
- **Data protection and marketing.** Personal Data Law 25.326 applies.

Exhibit 2.78: Argentina: the rules that matter for AI

Source: Research notes and official texts for Argentina; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
New General Companies Law with 'Sociedad Automatizada' (Art. 14) [1009]	[proposed]	Sent to Congress late May/Jun 2026; Senate briefing Jun 2026	Companies may operate via AI agents without employees, liable with own assets, low tax rate
Super RIGI (Régimen de Incentivo para Grandes Inversiones en Nuevas Industrias, Mensaje 181/2026) [1012]	[draft]	Passed Chamber Jun 2026; Senate committee failed 2 Sep 2026; pending	US$1bn+ projects in AI, chips, biotech, data centres: proposed 15% income tax, dividend tax falling to 3.5% after four years, phased access to export dollars, 30-year stability
Decree 105/2026 (RIGI extension including AI) [1013]	[in force]	2026	AI explicitly within technology sector eligible for existing RIGI incentives

Argentina · Ecosystem and big-tech moves

- **Stargate Argentina.** OpenAI and Sur Energy signed a letter of intent in October 2025, with OpenAI as potential offtaker. Neuquén sites and power deals are reported, but there is no investment decision yet [1013]. Pampa Energía proposes up to 500 MW [1013]. Operating capacity is only about 73 MW [936].
- **Local champions.** Mercado Libre posted US$10.2bn revenue in Q2 2026. Mercado Pago has 88 million monthly users, and Mercado Ads claims more than 10% of regional digital ad spend [959]. Mercado Pago launched an AI assistant in Argentina for transfers, payments and investing by text or voice (December 2025) [1015]. Globant announced a strategic alliance with OpenAI (July 2025) [1016] and is running an AI supply-chain project with YPF [1017].

Argentina · The AI services market and pricing

- **What buyers buy.** Productivity tools, software development (ILIA software score 89.18) [897], conversational banking [1015] and industrial AI [1005].
- **Delivery models.** Services exports (Globant), SaaS and fintech in-house builds.

Argentina · Leading industries and use cases

- **Fintech.** Mercado Pago's assistant [1015]. Santander's agentic pilot bought books in Argentina (March 2026) [953].
- **Energy and mining.** YPF-Globant [1017]. The government highlights mining, oil and gas and agro as priority AI verticals [1008].
- **Industry.** One in three industrial firms invests in AI [1005].

Exhibit 2.79: Argentina: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Mercado Pago [1015]	Fintech	AI assistant to transfer, pay and invest by text or voice	Launched in Argentina Dec 2025	Reported
YPF and Globant [1017]	Energy	AI to transform and optimise the supply chain	Project advancing (Oct 2025)	Reported
Santander and Visa [953]	Payments	AI agent-initiated book purchase	Pilot completed in Argentina and 4 other markets	Reported

Argentina · Marketing, search, advertising and channels

- **Channels.** Mercado Libre and Mercado Pago double as media [959]. AI traffic grows fastest in content, coding and assistants [1003].

Argentina · Opportunities

- **Energy-plus-compute projects** once Super RIGI passes, covering power, cooling and fibre suppliers [1012] [1013].

- **Industrial AI.** Two-thirds of industrial firms do not yet invest, but readiness is high [1005].
- **AI services exports**, building on the software talent base [897] [1016].

Argentina · Barriers and risks

- **Execution risk.** Most announced capacity is pre-decision [1013].
- **Legislative gridlock** on Super RIGI [1013].
- **Legal uncertainty** from the "automated company" concept [1010].
- **Low usage intensity** [897].

Argentina · Outlook 2026–27

- Q4 2026: the open question is whether the Senate can produce a committee report on Super RIGI, after none on 2 September and a dropped 10 September session [1013].
- 2026-27: Senate debate on the companies-law rewrite and the "Sociedad Automatizada" company type [1018].
- 2026-27: watch for a Stargate Argentina investment decision or financing, and CAF syndicated DC finance [1013].

Notes and sources

1. Microsoft, "Global AI Diffusion Q2 2026", Sep 2026 link [16]
2. CEPAL/CENIA, ILIA 2025 country fiches, Mar 2026 link [897]
3. DPL News, "Milei envió al Congreso un proyecto para el desarrollo de IA 'libre de regulación'", 4 Jun 2026 link [1009]
4. DPL News, "Alerta IA: proyecto de Milei para corporaciones no humanas acciona debates", 10 Jun 2026 link [1010]
5. DPL News, "Argentina se sumará a la iniciativa de Estados Unidos Pax Silica", 25 Jun 2026 link [1011]
6. DPL News, "El 'Súper RIGI' de Argentina busca atraer inversiones de 1,000 mdd en IA...", 26 May 2026 link [1012]
7. Econosur, "Argentina and Paraguay's AI Infrastructure Bet", updated 28 Sep 2026 link [1013]
8. DPL News, "Javier Milei afirma en Davos que todos los escenarios distópicos sobre IA son una 'tontería'", 21 Jan 2026 link [1019]
9. DPL News, "Ley de IA en la Argentina: hay muchos proyectos, pero pocos completos", 9 Apr 2026 link [1007]
10. DPL News, "Argentina quiere ser desarrolladora de IA y no sólo adoptante", 22 Apr 2026 link [1008]
11. DPL News, "El 57% de los argentinos ya utiliza IA en su trabajo", 21 Apr 2026 link [1004]
12. Dos Florines, "La IA podría elevar la productividad laboral argentina en 1,2% por año, asegura UIA y Accenture", 17 Mar 2026 link [1005]
13. DPL News, "IA disparó el uso de internet en Argentina: el tráfico creció 166% en un año", 19 May 2026 link [1003]
14. DPL News, "Mercado Pago lanza su asistente IA en Argentina", 18 Dec 2025 link [1015]
15. DPL News, "OpenAI presenta el primer estudio sobre el impacto de ChatGPT en Argentina", 9 Oct 2025 link [1002]
16. DPL News, "Globant anunció una alianza estratégica con OpenAI", 28 Jul 2025 link [1016]
17. DataReportal, "Digital 2026: Argentina", late 2025 link [1006]
18. Stanford HAI, "AI Index Report 2026", Economy chapter link [960]
19. Econosur, "Can South America Compete for AI Data Centers?", Sep 2026 link [936]
20. The Rio Times, "What Is Mercado Libre? ... Explained", 25 Sep 2026 link [959]
21. DPL News, "YPF y Globant avanzan con un mega proyecto ... con soluciones de IA", 30 Oct 2025 link [1017]
22. DPL News, "Santander y Visa completan ... primeros pagos gestionados por agentes de IA", 19 Mar 2026 link [953]

23. Microsoft, "Global AI Adoption in 2025", Jan 2026 link [17]
24. Buenos Aires Herald, "Argentina joins the Pax Silica alliance: what does it mean for the country", 26 Jun 2026 link [1014]
25. El Litoral, report on Sturzenegger's companies-law reform and AI-run companies, 24 Jun 2026 link [1018]
26. Stanford HAI, AI Index Report 2026, full report PDF (Figure 4.4.22), Apr 2026 link [117]

Latin America · 40 of 46

Chile

Country profile CHL



Chile leads Latin America on AI readiness (ILIA 2025: 70.56, #1) and hosts CENIA, maker of the open regional model LatamGPT (launched 10 February 2026). It has the highest AI job-posting share of the Latin American countries Lightcast tracks (2.41% in 2025, vs Mexico 1.38%) and 24.0% of working-age people used generative AI in June 2026.

24.0%
of working-age people use AI · rank 47 of 147
Microsoft AI Diffusion, Q2 2026

18.8m
internet users
DataReportal / Kepios, 2025

Key dates, 2026–27

2026	AWS South America (Chile) region due
2026-09	Stack Público civil-servant AI training programme ends
2026-10-26	Senate Future Challenges Committee approved the AI bill in general and referred it to the chamber [1020]
2026-12-01	Data-protection Law 21.719 in force, with a new Agency for the Protection of Personal Data
2026-2029	CIIAR municipal responsible-AI coalition (13 communes, 3 years) with IDB Lab

How AI is regulated

Guidance only, law in drafting

What to watch

- AWS Chile region in 2026
- Executive's substitute text for the AI bill (promised before 4 Dec 2026), then the full Senate's vote (the committee approved the bill in general on 26 Oct 2026)
- LatamGPT next versions

Chile · Market and adoption

- **People.** Microsoft's diffusion measure rose from 19.6% (H1 2025) to 20.8% (H2 2025), 22.7% (Q1 2026) and 24.0% (Q2 2026) [16][17]. ILIA rates usage "high intensity", at 4.3 visits to AI web tools per internet user, with strong generative-AI user scores (97.7) [897].

- ILIA ranks Chile 5th on its Adoption sub-dimension (65.79). Its weakness is industry, where it ranks 12th [897].
- **Talent.** AI job postings were 2.41% of all postings in 2025, ahead of the UK [290]. LinkedIn AI talent concentration rose 82% from 2019 to 2025 [117].
- **Trust.** 67% trust the government to regulate AI (Ipsos 2025) [117].
- **Base.** 18.8 million internet users (94.5%) and 16.2 million social media identities [1021].

Chile · Policy and regulation

- **AI bill (Boletín 16821-19, merged with 15869-19).** It is risk-based, with four categories: unacceptable, high, limited and no evident risk. It creates a Technical Advisory Council on AI under the science ministry [1022]. The Chamber approved it on 13 October 2025, and it reached the Senate's Future Challenges committee on 14 October 2025 [1023]. The Kast government renewed "simple" urgency monthly from 12 May 2026, most recently on 1 September 2026. The Senate's Future Challenges Committee approved the bill in general on 26 October 2026 and referred it to the chamber [1023] [1020] (the Senate bill page could not be re-opened on 3 Nov 2026). Industry groups (ACTI, Chile Data Centers, ALAI, the chambers of commerce, FinteChile, Legaltech) argued in July 2025 that it is too rigid and limits training on Chilean data [1024].
- **Policy under Kast.** Kast won with 58.2% on a less-red-tape, "digital state" platform [1025]. Science minister Ximena Lincolao launched Stack Público, AI training for civil servants with nine tech firms including OpenAI and Anthropic [1026], and a 13-municipality responsible-AI coalition with IDB Lab [1027]. An August 2026 AI trip to China produced no treaty [1028].
- **National strategy.** The National AI Policy (cited by the government in June 2025) [1029] is paired with a National Data Center Plan [936]. In June 2025 Chile put CLP 14bn (about US$14m) into two AI supercomputing centres (Universidad de Chile's SCAI-LAB and Tecnoera), tripling national capacity [1029].
- **Data protection.** Law 21.719 modernises the 1999 regime and takes effect on 1 December 2026, with a new Agency for the Protection of Personal Data and fines of up to 20,000 UTM for very serious infringements (up to 4% of the prior year's gross revenues for repeat breaches by large firms, depending on severity, after two or more sanctions within the previous 30 months) [1030]. In February 2026 Kast named Romina Garrido, a data-protection specialist, as telecoms undersecretary [1031].

Exhibit 2.80: Chile: the rules that matter for AI

Source: Research notes and official texts for Chile; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Boletín 16821-19 (merged 15869-19) Regula los sistemas de inteligencia artificial [1023]	[draft]	Chamber approved 2025-10-13; in Senate Comisión de Desafíos del Futuro since 2025-10-14; 'simple' urgency renewed monthly, latest 2026-09-01	Four risk tiers (unacceptable, high, limited, no evident risk); Technical Advisory Council on AI; obligations on operators of high-risk systems

Law or rule	Status	Effective	What it means for business
Law 21.719 on personal data protection [1030]	[passed]	In force 2026-12-01	Modernises the 1999 regime; creates the Agency for the Protection of Personal Data; fines up to 20,000 UTM for very serious infringements (up to 4% of the prior year's gross revenues for repeat breaches by large firms, depending on severity, after two or more sanctions within the previous 30 months).

Chile · Ecosystem and big-tech moves

- **Cloud and data centres.** Microsoft opened its Chile Central region in June 2025 [1032], and AWS says its region arrives in 2026 [1033]. Amazon's Huechuraba site was cleared by the Environmental Court on 31 March 2026 [1034]. Capacity grew from 35 MW (2013) to 198 MW (2023) per the ministry; Cushman & Wakefield counts 624 MW [936]. Google's Cerrillos project had its environmental approval partly annulled in 2024, and Google later renounced it. A redesigned, air-cooled proposal for the site was submitted in June 2026 by Inversiones y Servicios Dataluna [936]. ACTI calls permits the bottleneck [1035].
- **Sovereign and local AI.** LatamGPT (CENIA) [1036][1037]. PatagonIA from ISCI and WideLabs, trained in Chile on Oracle Cloud with Nvidia GPUs (October 2025) [1038]. The public-private "Hazlo con IA" project (CENIA is a partner; Google.org funds it) offers 68,000 free generative AI trainings for workers at micro, small and medium firms (August 2025) [1039].

Chile · The AI services market and pricing

- **What buyers buy.** Cloud migration, AI for mining and health, and public-sector AI.
- The only official cost figure is the bill's fiscal report: CLP 55.2m a year for one department-head post, which the Chamber's finance committee rejected as insufficient [1024].
- **Delivery models.** Hyperscaler-led, university and CENIA partnerships, and Corfo-funded programmes.

Exhibit 2.81: Chile: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
Fiscal cost in AI bill financial report (one department-head post at science ministry)	CLP 55.2m per year	US$59,320 (as reported by source)	[published]

Chile · Leading industries and use cases

- **Health.** UC Christus and Corfo launched PRISMA IA (September 2026) [1040].
- **Local government.** CENIA's AI procurement platform with Las Condes and Maipú (October 2025) [1041]. The 13-commune coalition [1027].
- **Finance and payments.** Santander's agentic pilot bought books in Chile [953].
- **Research.** ILIA ranks Chile first in the region for research and innovation [897].

Exhibit 2.82: Chile: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
CENIA with Las Condes and Maipú [1041]	Local government	AI platform to speed municipal procurement	Launched Oct 2025	Reported
CENIA (Hazlo con IA) [1039]	SME training	Public-private project (CENIA a partner, Google.org funding): free generative AI training for workers at micro, small and medium firms	68,000 training places (Aug 2025)	Reported
Santander and Visa [953]	Payments	AI agent-initiated book purchase	Pilot completed in Chile and 4 other markets	Reported

Chile · Marketing, search, advertising and channels

- **AI search.** IAB Chile is already studying "what AI recommends when a Chilean asks about their bank", an early AEO signal [1042].
- **Language.** Chilean Spanish (PatagonIA) [1038].

Chile · Opportunities

- **AI for mining, energy and health** with Corfo co-funding [1040].
- **Data-centre services**, if permitting speeds up [936] [1035].
- **Training and change management for the public sector and SMEs** [1027] [1026] [1039].

Chile · Barriers and risks

- **Environmental and water permitting** for data centres [936].
- **Transmission bottlenecks** [936].
- **A small domestic market.**
- **A regulatory stall** on the AI bill [1023].

Chile · Outlook 2026–27

- 2026: the AWS Chile region is due [1033].
- Q4 2026 to 2027: the Executive's substitute text for the AI bill (promised before 4 December 2026), then the full Senate's vote and any second-round changes [1023] [1043] [1020].
- 2026-2029: the CIIAR municipal AI programme [1027].
- LatamGPT next versions [1037].

Notes and sources

1. CEPAL/CENIA, ILIA 2025 report, Oct 2025 link [1044]

2. CEPAL/CENIA, ILIA 2025 country fiches, Mar 2026 link [897]
3. Microsoft, "Global AI Diffusion Q2 2026", Sep 2026 link [16]
4. Microsoft, "Global AI Adoption in 2025", Jan 2026 link [17]
5. Senado de Chile, tramitación Boletín 16821-19 "Regula los sistemas de inteligencia artificial", accessed Sep 2026 link [1023]
6. DPL News, "Proyecto que regula sistemas de IA será estudiado por Comisión Desafíos del Futuro", 24 Oct 2025 link [1022]
7. DPL News, "Proyecto de ley IA en Chile: rechazo de Hacienda y preocupación del sector", 2 Jul 2025 link [1024]
8. DPL News, "José Antonio Kast será presidente de Chile prometiendo economía, transformación y Estado digital", 14 Dec 2025 link [1025]
9. DPL News, "Kast y BID Lab eligen las primeras 13 comunas...", 21 May 2026 link [1027]
10. DPL News, "Chile lanza Stack Público...", 17 Apr 2026 link [1026]
11. CENIA, "Latam-GPT: la primera IA regional abierta...", 10 Feb 2026 link [1036]
12. Hugging Face, LatamGPT model card, 2026 link [1037]
13. DPL News, "Chile invertirá 14 mdd en dos centros de supercómputo IA", 4 Jun 2025 link [1029]
14. DPL News, "Oracle y Nvidia impulsan PatagonIA...", 1 Oct 2025 link [1038]
15. DPL News, "Microsoft inicia operaciones en Chile de su nueva Región de Centros de Datos", 19 Jun 2025 link [1032]
16. AWS, "Región AWS Sudamérica (Chile)", page updated 25 Sep 2026 link [1033]
17. DPL News, "Luz verde para el proyecto de Data Center de Amazon en Huechuraba", 7 Apr 2026 link [1034]
18. Econosur, "Can South America Compete for AI Data Centers?", Sep 2026 link [936]
19. DPL News, "Infraestructura digital ya es crítica para Chile: ACTI pide destrabar inversión", 21 Apr 2026 link [1035]
20. DataReportal, "Digital 2026: Chile", late 2025 link [1021]
21. Stanford HAI, "AI Index Report 2026" (Economy; Public Opinion) link [290]
22. The Rio Times, "Chile's Foreign Minister Spent Five Days in China Talking About AI", 20 Aug 2026 link [1028]
23. CENIA, "Proyecto Hazlo con IA lanza 68 mil capacitaciones gratuitas en IAGen para mipymes", 12 Aug 2025 link [1039]
24. CENIA, "UC CHRISTUS y Corfo lanzan PRISMA IA", 4 Sep 2026 link [1040]
25. CENIA, "CENIA, Las Condes y Maipú lanzan plataforma que reduce tiempos de compras municipales gracias a la IA", 27 Oct 2025 link [1041]
26. DPL News, "Santander y Visa completan ... primeros pagos gestionados por agentes de IA", 19 Mar 2026 link [953]
27. IAB Chile, "¿Qué recomienda la IA cuando un chileno pregunta por su banco?", 2026 link [1042]
28. DPL News, "Romina Garrido toma la Subtel de Chile con perfil de protección de datos", 8 Feb 2026 link [1031]
29. DLA Piper, Data Protection Laws of the World: Chile (Law 21.719), last modified 2026-02-05 link [1030]
30. Stanford HAI, AI Index Report 2026, full report PDF (Figures 4.4.22 and 9.3.1), Apr 2026 link [117]
31. BioBioChile, opinion column "La inteligencia artificial no espera a Chile", 28 Oct 2026 link [1043]
32. Senado de Chile, "Proyectos tratados en los últimos 15 días", committee record 26 Oct 2026 link [1020]

Latin America · 41 of 46

Colombia

Country profile COL



Colombia has the highest consumer AI use of the five countries (25.9% of working-age people used generative AI in June 2026) and rose to #4 in ILIA 2025, leading the 'adopter' group.

25.9%
of working-age people use AI · rank 39 of 147
Microsoft AI Diffusion, Q2 2026

57%
of large firms use AI agents in cybersecurity (Microsoft/Edelman survey of 100 firms, claimed)
Microsoft / Edelman, 2025

41.7m
internet users
DataReportal / Kepios, 2025

Key dates, 2026–27

2026-08-07	Abelardo de la Espriella inaugurated as president
2026-09-16	ANLA licensed transmission for ODATA BG03 AI data centre (50 MW assigned)
2026-2027	AI bill re-scoped or restarted in new Congress
2030	CONPES 4144 implementation horizon

How AI is regulated

Existing law and sector regulators

What to watch

- New government's digital/AI agenda from Aug 2026
- AI bill re-scoped or restarted
- ODATA BG03 energisation

Colombia · Market and adoption

- **People.** Microsoft's diffusion measure rose from 20.4% (H1 2025) to 22.0% (H2 2025), 24.5% (Q1 2026) and 25.9% (Q2 2026) [16][17]. ILIA finds the region's highest usage intensity among the five, at 4.4 visits to AI web tools per internet user, and about 12% of regional AI visits [897]. Cintel's Digital Consumer Profile finds 48% of Colombians surveyed use AI for study or work [1045].
- Cintel says four in ten micro, small and medium-sized businesses (MSMEs) do not plan to adopt AI in the short or medium term [1045]. A Microsoft/Edelman study of 100 large firms says 57% use AI agents in cybersecurity operations and six in ten have formal AI-agent policies (claimed) [1046]. Salesforce says more than 4,900 AI agents have been built on its Trailhead platform in Colombia [1047]. The startup base includes 610 AI-based SaaS companies [1048].

- **Connectivity limits.** Mobile internet availability hit 96.25% in Q1 2026. But only 65.7% of households have fixed broadband (OECD: 92.8%), and cloud latency is 107 ms against 54 ms in Brazil (Ookla) [1049].
- **E-commerce.** About 7% of GDP in Q3 2025 (COP 37 trillion) [1050].
- **Base.** 41.7 million internet users (77.8%) and 37.7 million social media identities [1051]. 66% trust the government to regulate AI (Ipsos 2025) [290].

Colombia · Policy and regulation

- **CONPES 4144 (approved February 2025).** It commits COP 479,273m (about US$116m) to 2030 across six axes: governance and ethics, infrastructure and data, R&D, talent, risk mitigation, and adoption. It is run by MinTIC, MinCiencias and DNP [1052].
- **AI bill.** MinCiencias, under minister Yesenia Olaya, re-filed the government's AI bill in the Senate on 28 July 2025, drawing on more than 13 earlier legislative proposals [1053]. Petro added an urgency message on 10 September 2025 [1054]. At the closing session of the Congress's bicameral AI commission in December 2025, the vice minister for digital transformation presented the guidelines of PL 043 of 2025 [1055]. In February 2026 a national forum (conversatorio) on AI opened debate on stricter rules; a magistrate backed regulation by risk and by technology, and a representative proposed an ombudsman for "future rights" [1056]. No enacted AI law was found as of September 2026.
- **Soft law.** The regulator CRC issued an ethical guide for AI in public bodies with six principles (published 31 December 2025, presented January 2026) [1057]. MinTIC activated governance for "Sovereign Foundation Models" (May 2026) [1058].
- **Data protection.** Law 1581 of 2012, enforced by the SIC.

Exhibit 2.83: Colombia: the rules that matter for AI

Source: Research notes and official texts for Colombia; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Government AI bill (MinCiencias; PL 043 de 2025 discussed in bicameral commission) [1055]	[draft]	Re-filed in Senate 28 Jul 2025; urgency message 10 Sep 2025; not enacted as of Sep 2026	Would set ethical, rights-based and sovereignty-oriented rules; future uncertain under new government
CRC Ethical Guide for AI in Public Entities [1057]	[in force]	Jan 2026 (guidance)	Six principles incl. human centrality, transparency and explainability for AI sold to public bodies

Colombia · Ecosystem and big-tech moves

- **Data centres.** ODATA is investing US$1.3bn in its BG02 and BG03 sites in Cundinamarca. BG03 is designed for 120 MW. On 16 September 2026 ANLA licensed the transmission link, with 50 MW assigned [936]. Colombia also signed a deal with UAE-based G42 for three data centres in Santa Marta, pitched as a sovereign cloud (February 2025) [1059].

- **Platforms.** OpenAI launched ChatGPT Go in Colombia from COP 20,900 a month, free for up to six months for Rappi PRO Black members (December 2025) [1060][1061]. Nequi and AWS opened 300,000 free AI and cloud course places (March 2026) [1062].

Colombia · The AI services market and pricing

- **What buyers buy.** Customer-service and cybersecurity agents [1046], CRM agents [1047], and AI-enabled SaaS [1048].
- **Published price.** ChatGPT Go starts at COP 20,900 a month (December 2025) [1060][1061].
- **Delivery models.** SaaS, hyperscaler partner projects, and telco bundles.

Exhibit 2.84: Colombia: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
ChatGPT Go consumer subscription	from COP 20,900 per month	–	[published]

Colombia · Leading industries and use cases

- **Fintech and banking.** Rappi's AI tie-ups [1060]. Nequi and AWS skilling [1062].
- **E-commerce and retail.** Fraud prevention and chatbots are cited by CCCE [1050].
- **Public sector.** CRC's ethics guide [1057]. Sovereign models [1058].

Exhibit 2.85: Colombia: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Rappi and OpenAI [1060]	Consumer platforms	ChatGPT Go bundled with Rappi PRO Black (up to six months free)	Launched Dec 2025	Reported
Nequi and AWS [1062]	Fintech / skills	Free AI and cloud courses	300,000 places opened (Mar 2026)	Reported

Colombia · Marketing, search, advertising and channels

- **Channels.** Rappi is a super-app channel for AI subscriptions [1060]. Social media is the main storefront: about half of small businesses sell mainly through digital channels (GoDaddy, cited by CCCE) [1050].
- **Language.** Spanish. MinTIC presents Colombia as co-leader, with Chile, of the 15-country LatamGPT effort (February 2026) [1063].

Colombia · Opportunities

- **Converting high consumer use into MSME adoption.** Cintel's "four in ten won't adopt" is the gap to close [1045].

- **Agents for e-commerce and payments** [1050].
- **Data-centre and sovereign-cloud builds** [1059] [936].

Colombia · Barriers and risks

- **Fixed-broadband and latency gaps** [1049].
- **Policy reset under a new government.** The AI bill's future is unclear [1064].
- **Weak data quality in firms.**

Colombia · Outlook 2026–27

- From 7 August 2026: the De la Espriella government sets its digital and AI line [1064].
- 2026-27: after PL 043 of 2025 was archived at the change of legislature, the AI bill restarts in the new Congress as PL 025 of 2026, which largely repeats it [1065].
- To 2030: CONPES 4144 execution [1052].
- 2026-27: whether ODATA's BG03 can be energised beyond its 50 MW of assigned connection capacity, after ANLA licensed its Navarra-Bacata 220 kV line on 16 September 2026 [936].

Notes and sources

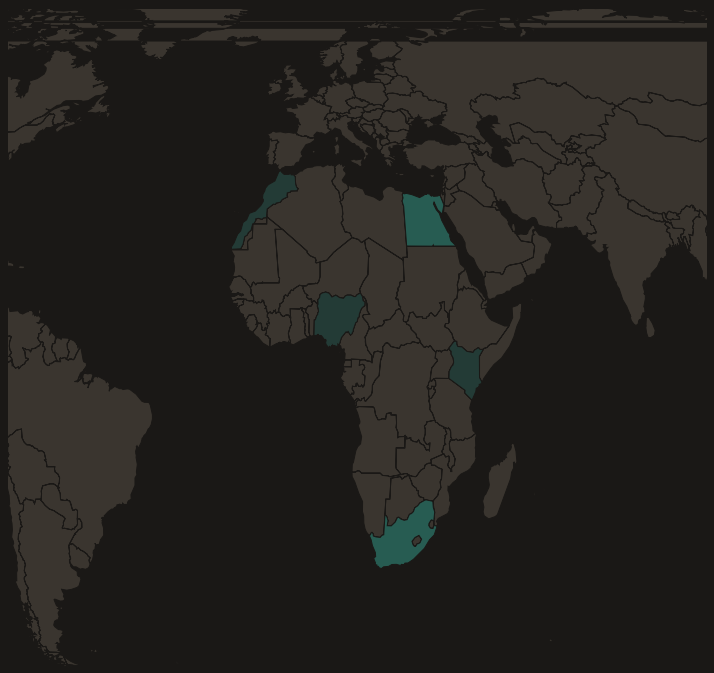
1. Microsoft, "Global AI Diffusion Q2 2026", Sep 2026 link [16]
2. Microsoft, "Global AI Adoption in 2025", Jan 2026 link [17]
3. CEPAL/CENIA, ILIA 2025 country fiches, Mar 2026 link [897]
4. DPL News, "Colombia aprueba política nacional para el desarrollo de la IA" (CONPES 4144), 18 Feb 2025 link [1052]
5. DPL News, "MinCiencias radica nuevo proyecto de ley para regular la IA", 29 Jul 2025 link [1053]
6. DPL News, "Petro radica mensaje de urgencia para el Proyecto de Ley sobre IA", 10 Sep 2025 link [1054]
7. DPL News, "Ministerio TIC presenta avances en el Congreso" (PL 043 de 2025), 12 Dec 2025 link [1055]
8. DPL News, "Colombia define el marco para una adopción de IA ética en el sector público", 5 Jan 2026 link [1057]
9. DPL News, "Colombia abrió debate para una regulación más estricta en el uso de la IA", 17 Feb 2026 link [1056]
10. DPL News, "Colombia \| Modelo de gobernanza de IA y avanza en soberanía tecnológica", 25 May 2026 link [1058]
11. The Rio Times, "49.7% Win Passes Audit as Colombia Swears in New President", 5 Aug 2026 link [1064]
12. DPL News, "Colombia construirá 3 centros de datos gracias a un acuerdo con G42", 17 Feb 2025 link [1059]
13. Econosur, "Can South America Compete for AI Data Centers?", Sep 2026 link [936]
14. DPL News, "Cuatro de cada 10 MiPymes no planean adoptar IA", 15 May 2026 link [1045]
15. DPL News, "Colombia avanza en el uso de IA, pero persisten brechas... según Ookla", 3 Jun 2026 link [1049]
16. DPL News, "6 de cada 10 empresas en Colombia tienen políticas de uso de Agentes de IA: Microsoft", 20 Nov 2025 link [1046]
17. DPL News, "Adopción de IA con más de 4.900 agentes creados, según Salesforce", 31 Mar 2026 link [1047]
18. DPL News, "OpenAI lanza ChatGPT Go y se asocia con Rappi", 11 Dec 2025 link [1060]
19. DPL News, "La IA como agenda de país: claves para el próximo gobierno" (CCCE), 21 Jan 2026 link [1050]
20. DPL News, "La nueva ola de startups... el segmento suma 610 empresas", 3 Jun 2026 link [1048]
21. DataReportal, "Digital 2026: Colombia", late 2025 link [1051]
22. Stanford HAI, "AI Index Report 2026", Public Opinion chapter link [290]
23. DPL News, "Nequi y AWS abren 300.000 cupos para cursos gratis en IA y computación en la nube", 19 Mar 2026 link [1062]

24. DPL News, "Colombia y Chile impulsan Latam-GPT", 13 Feb 2026 link [1063]
25. PPU Legal, "Más controles o más innovación: el dilema que abre la nueva ley de IA", 1 Sep 2026 link [1066]
26. El Espectador, report on ChatGPT Go's launch and price in Colombia, Dec 2025 link [1061]
27. C?mara de Representantes, "Informe de ponencia para primer debate al Proyecto de Ley No. 025 de 2026 C?mara" link [1065]

Part 2 · Region 11

Africa

Prepared 1 October 2026. Deep coverage: Nigeria, Kenya, South Africa. Standard coverage: Egypt, Morocco.



AI users, % of working-age people (Q2 2026)

South Africa	23.9%
Egypt	15.5%
Morocco	12.0%
Nigeria	10.4%
Kenya	8.9%
Global average (Microsoft)	18.8%

In this region

Nigeria	298
Kenya	306
South Africa	311
Egypt	318
Morocco	322

Africa · 42 of 46

Nigeria

Deep dive NGA



Nigeria is Africa's largest online market by headcount, with 109 million internet users at the end of 2025, but only 10.4% of working-age people used generative AI in Q2 2026, well below the 18.8% global average. Policy is strategy-led: the National AI Strategy published in September 2025 runs to 2029, there is no AI law yet, and several AI bills sit in the National Assembly.

10.4%
of working-age people use AI · rank 106 of 147
Microsoft AI Diffusion, Q2 2026

US$434m
AI market projection for 2026 cited in the National AI Strategy (Sep 2025; original source not named)
Nigeria National AI Strategy, 2025

109m
internet users
DataReportal Digital 2026: Nigeria, 2025

Key dates, 2026–27

2026-07	Ministry directs regulatory status quo on internet platforms pending a harmonised framework...
2026-08	NCC Internet Code of Practice AI notification and consumer-disclosure rules scheduled to start
2027	3MTT target of 3 million trained; NCAIR target of 50% renewable energy for HPC clusters
2027-03-31	Annual NDPA Compliance Audit Returns due for extra-high and ultra-high level data controllers established before 12 June 2023; those established afterwards first file within 15 months, then annually

How AI is regulated

Existing law and sector regulators

What to watch

- From August 2026: NCC AI notification and consumer-disclosure rules due to apply, subject to possible postponement
- 31 March 2027: NDPA compliance audit returns due for Extra-High and Ultra-High registrants established before 12 June 2023; those established afterwards first file within 15 months, then annually
- 2027: 3MTT 3m-trained target and NCAIR 50% renewable HPC target

Nigeria · Market and adoption

- **Connectivity.** 109m internet users (45.5%) and 165m mobile connections at end-2025; 47.8m social media identities in October 2025 [1067]. NCC counted 142.6m active internet subscriptions in October 2025: MTN 78.1m, Airtel 49.3m, Globacom 13.8m [1068]. Broadband passed 50% in November 2025, short of the 70% target. Full-year 2025 data use was projected to exceed 13.2m terabytes, up about 35% [1069].
- **People.** Generative AI use rose from 8.7% (H1 2025) to 9.3% (H2 2025), 10.1% (Q1 2026) and 10.4% (Q2 2026) of working-age people [16][17]. Microsoft reports the same 10.4% for Nigeria and 11 other West African economies, but does not identify it as a regional estimate [16].
- **Market size.** The strategy itself cites a Nigerian AI market projection of $434.4m by 2026, at a 44.2% CAGR [1070]. The original source is not named in the text we read.
- **Business adoption.** No official statistic exists. NCAIR lists a National AI Perception Survey of 500 people by Lagos Business School, but the document does not publish results [1071].
- **Talent.** The strategy says only 3% of IT professionals focus on AI and robotics [1070]. NCAIR says 135,000+ people were trained under 3MTT, 15,000 were linked to jobs, and 1.8m more are in the pipeline [1071]. A policy brief notes 34% of tracked 3MTT graduates moved to international organisations [1072]. R&D spend is 0.2% of GDP [1072].
- **Rankings.** Oxford Insights Government AI Readiness: 94th in 2024 [1070], 72nd in 2025 [1072]. Global Index on Responsible AI 2026: 38th, top in Africa [1073]. Not in Stanford's private investment ranking [61].

Nigeria · Policy and regulation

- **National AI Strategy (NAIS).** Published September 2025 by the Federal Ministry of Communications, Innovation and Digital Economy (FMCIDE), with NITDA and NCAIR. It covers 2025–2029, with 3 strategic objectives, 5 pillars and 34 implementation strategies [1074]. The headline target is AI skills for at least 70% of the youth workforce (ages 16–35), including 50% women [1070]. It proposes a "Pioneer Status for AI" tax incentive, an AI Ethics Expert Group and an AI Governance Regulatory Body [1070]. As of March 2026 the governance body had not been set up, and the NITDA Code of Practice for AI (2025 draft) was not final. The strategy has no dedicated budget line [1072].
- **Government AI use.** NITDA's AI Transformation Roadmap (March 2025) targets a 50% cut in document processing time and 80% staff use of AI tools within 18 months. Since February 2025, federal AI-enabled IT projects worth NGN 10m or more need NITDA clearance. A National AI Trust was set up in February 2025 [1074].
- **Data protection.** The Nigeria Data Protection Act was signed on 13 June 2023 and is enforced by the NDPC [1075]. The General Application and Implementation Directive (GAID) was issued on 20 March 2025 [1075] and took effect in September 2025 [1074]. GAID requires an impact assessment before deploying AI [1075]. People can refuse decisions based solely on automated processing [1074]. Fines reach 2% of gross revenue or NGN 10m, whichever is greater, for firms of "major importance" [1075].

- **Sector rules.** The NCC Internet Code of Practice says that from August 2026, internet providers must notify NCC before deploying AI that affects network management or customer engagement. They must also tell customers when AI handles complaints. Guidance notes came in February 2026. A July 2026 ministry directive to keep the status quo on platform rules may delay this [1074]. The Central Bank's Baseline Standards for Automated AML Solutions (June 2025) require all regulated financial institutions, mobile money operators and payment providers to run automated due diligence, transaction monitoring and fraud detection from March 2028. AI and ML models need independent annual validation, including bias checks [1074].
- **Bills in the National Assembly.** SB 731 (National AI Commission, February 2025), HB 1810 (AI regulatory authority, October 2024) and HB 2567 (Nigerian AI Bill, October 2025). HB 2559 would require a performer's written consent for commercial AI replicas of their voice or likeness. HB 1435 would add gatekeeper duties on ad data. SB 722 would force local data storage and levy foreign data firms earning over NGN 10bn in Nigeria [1074].

Exhibit 2.86: Nigeria: the rules that matter for AI

Source: Research notes and official texts for Nigeria; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Nigeria Data Protection Act 2023 (NDPA) [1075]	[in force]	2023-06-13 (presidential assent)	NDPC regulates. Right not to be subject to solely automated decisions; DPIAs for high-risk processing; fines up to 2% of annual gross revenue or NGN 10m (major-importance entities), whichever is greater.
NDPC General Application and Implementation Directive (GAID) 2025 [1075]	[in force]	Issued 2025-03-20; in effect September 2025	DPIA required before deploying AI and other emerging tech; tiered registration (fees NGN 10,000 / 100,000 / 250,000); Ordinary High registrants renew annually and are exempt from annual Compliance Audit Returns; Extra-High and Ultra-High registrants established before 12 June 2023 file by 31 March annually; those established afterwards first file within 15 months, then annually.
NCC Internet Code of Practice (AI and emerging-tech provisions) [1074]	[passed]	Scheduled from August 2026 (a July 2026 ministry status-quo directive may affect timing)	Internet access providers must notify NCC before deploying AI affecting network management or customer engagement, and tell consumers when AI handles complaints.
CBN Baseline Standards for Automated Anti-Money Laundering Solutions [1074]	[in force]	Adopted June 2025; deployment required from March 2028	Banks, mobile money operators and payment providers must deploy automated CDD, transaction monitoring, fraud detection and reporting; annual independent validation of AI/ML models incl. bias and drift.

Law or rule	Status	Effective	What it means for business
NITDA Guidelines for Clearance of IT Projects for Federal Public Institutions [1074]	[in force]	February 2025	
NITDA Code of Practice for Artificial Intelligence [1072]	[draft]	Draft 2025; not finalised as of March 2026	Would set AI-specific conduct rules; still pending.
National AI Commission (Establishment) Bill 2025 (SB 731) [1074]	[proposed]	Introduced February 2025	Would create a standalone AI regulator.
Nigerian AI Bill 2025 (HB 2567) [1074]	[proposed]	Introduced October 2025	Would create a regulatory framework for AI development, deployment and governance.
Copyright Act (Amendment) Bill 2025 (HB 2559) [1074]	[proposed]	Introduced October 2025	Would ban unauthorised commercial use of AI digital replicas of a performer's voice, image or likeness without written consent.
Digital Marketing Regulation Bill 2024 (HB 1435) [1074]	[proposed]	Introduced May 2024	Would designate large platforms as gatekeepers and regulate third-party data processing for advertising.
SB 722 (data localisation and levy on foreign data companies) [1074]	[proposed]	Introduced February 2025	Would require domestic storage of Nigerian user data, a local office for foreign data firms, and a levy on those earning over NGN 10bn in Nigeria.

Nigeria · Ecosystem and big-tech moves

- **N-ATLaS.** Launched in New York in September 2025 by NCAIR with Awarri Technologies [1072] [1076]. It is built on Meta's Llama-3 8B with 400m+ multilingual tokens [1072]. The Hugging Face page lists 8.03bn parameters, gated access and 6,436 downloads last month [1077] [1078].
- **Compute.** The strategy's baseline: one AI and robotics centre and 6 data centres run by 5 entities [1070]. NCAIR's pilot compute via Galaxy Backbone is 100 vCPUs, 100GB RAM and 100TB SSD [1079]. NCAIR claims $1.85bn+ in infrastructure and investment commitments, 7 new data centres, a 100MW Kasi Cloud AI campus and a $235m MTN Nigeria data centre [1071]. Rest of World reports plans for 12,000 Nvidia GPUs for centres in the Big Four (including Nigeria) and Morocco [1080].

- **Big tech and funders.** In 2024 Google and NCAIR ran a ₦100m AI Fund for 10 startups (up to ₦10m each) plus up to $3.5m in Google Cloud credits. Luminate gave $1.5m for the Nigeria AI Collective. Airtel Nigeria put ₦1bn into 3MTT [1071]. Amazon got a licence for its Leo satellite service in January 2026 [1081]. Nigeria signed a digital MoU with Denmark worth EUR 12m and opened science and tech talks with the EU in February 2026 [1074].
- The regulatory push is clear, though: the Central Bank's March 2028 AML automation deadline [1074].

Nigeria · The AI services market and pricing

- **What buyers buy.** Government AI-enabled IT, AML and fraud automation, telco customer-engagement AI, local-language NLP and skills programmes [1070] [1074] [1071].
- **Price points.** Public AI service prices are scarce. Known costs: NDPC registration fees of ₦10,000, ₦100,000 or ₦250,000 by tier. Ordinary High registrants renew annually and are exempt from annual compliance audit returns; Extra-High and Ultra-High registrants established before 12 June 2023 file by 31 March annually, while those established afterwards first file within 15 months, then annually [1075]. The NGN 10m NITDA clearance threshold shapes public deals [1074]. The Google AI Fund spreads ₦100m across 10 startups [1071].
- **Delivery.** Public procurement, donor and big-tech programmes, and USD-priced cloud and SaaS. Dollar cloud costs rise with each naira devaluation [1072].

Exhibit 2.87: Nigeria: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
NDPC registration fee for data controllers/processors of major importance (Ordinary High / Extra-High / Ultra-High Level)	NGN 10,000 / NGN 100,000 / NGN 250,000	–	[published]
Federal procurement threshold requiring NITDA clearance for AI-enabled IT projects	NGN 10 million and above	–	[published]
Google-NCAIR AI Fund startup grants	NGN 100 million across 10 startups, plus USD 3.5m Google Cloud credits	–	Claimed

Nigeria · Leading industries and use cases

- **Financial services.** Driven by the Central Bank AML standards and a February 2026 CBN proposal for a Responsible AI in Finance workstream [1074].
- **Telecoms.** MTN and Airtel investments [1071], plus NCC's AI disclosure rules [1074].
- **Education.** A World Bank-cited AI tutoring trial in Nigeria, validated by a randomised controlled trial, delivered learning gains equal to about two years of progress in six weeks [1082].
- **Health.** A digital health bill and the National Cancer Control Plan 2026–2030 both name AI [1074].

Exhibit 2.88: Nigeria: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
NCAIR and Awarri Technologies [1077]	Public sector / language AI	N-ATLaS open multilingual LLM for Yoruba, Hausa, Igbo and Nigerian-accented English	Released on Hugging Face (8.03bn parameters, gated); page lists 6,436 downloads last month [1078]	Reported
NITDA [1074]	Public sector	AI Transformation Roadmap to embed AI in agency operations over 18 months	Targets: 50% reduction in document processing time; 80% staff adoption of AI tools	Claimed
AI tutoring programme in Nigeria (World Bank-cited RCT) [1082]	Education	AI tutoring for students	Learning gains equivalent to roughly two years of progress in six weeks	Reported
Google and NCAIR [1071]	Startup ecosystem	AI Fund for Nigerian startups	NGN 100m for 10 startups plus USD 3.5m cloud credits	Claimed

Nigeria · Marketing, search, advertising and channels

- **Ad reach (late 2025).** TikTok 47.8m (18+), Facebook 38.0m, YouTube 30.5m, Snapchat 23.0m, LinkedIn 13.0m, Instagram 10.0m [1067].
- **Messaging.** WhatsApp is used by 96.5% of internet users. People spend 29 hours 6 minutes a week on social platforms [1083]. Globally, WhatsApp ads have launched and their reported reach already exceeds Messenger's, whose ad reach fell over 95% in six months [1084]. We did not verify WhatsApp ad availability in Nigeria.
- **Ad spend.** PwC puts internet advertising at $246m in 2024, rising to $438m in 2029 (12.3% CAGR). Digital will be 84% of ad spend by 2029 [1085].
- Microsoft notes DeepSeek is unusually strong across Africa [17].
- **Language.** Nigeria has 500+ languages. N-ATLaS covers Yoruba, Hausa, Igbo and Nigerian-accented English [1072] [1076].

Nigeria · Opportunities

- AML and fraud automation for banks, fintechs and mobile money firms ahead of the March 2028 deadline [1074].
- Local-language customer service built on N-ATLaS for Hausa, Yoruba and Igbo speakers [1072] [1077].

- NDPA and GAID compliance: impact assessments before AI deployment, plus annual audit returns for Extra-High and Ultra-High registrants (first filing within 15 months if established after 12 June 2023); Ordinary High registrants are exempt [1075].
- Data-centre and GPU capacity: the Kasi 100MW campus and the proposed Pioneer Status incentive [1070] [1071].
- Skills: a 1.8m 3MTT pipeline and a 70% youth AI-skills target [1070] [1071].
- AI tutoring, backed by strong trial evidence [1082].

Nigeria · Barriers and risks

- Low diffusion (10.4%) and 45.5% internet penetration [16] [1067].
- Dollar-priced cloud against a weak naira, 0.2% of GDP on R&D, and talent flight [1072].
- Regulatory churn: many bills, a status-quo directive and a data localisation bill [1074].
- Thin public compute [1079], broadband below target [1069], and a strategy with few KPIs and no budget [1072].

Nigeria · Outlook 2026–27

- **August 2026 onward.** NCC AI notification rules were due to start. Watch for postponement [1074].
- **31 March 2027.** NDPA compliance audit returns are due for Extra-High and Ultra-High registrants established before 12 June 2023; those established afterwards first file within 15 months, then annually [1075].
- **2027.** 3MTT target of 3m trained; NCAIR target of 50% renewable power for HPC [1072].
- **March 2028.** Central Bank AML automation deadline [1074].
- **2029.** NAIS horizon ends. PwC sees internet ads at $438m [1085].

Notes and sources

1. Global AI Diffusion Q2 2026, Microsoft, 2026-09 link [16]
2. Global AI Adoption in 2025, Microsoft, 2026-01 link [17]
3. Digital 2026: Nigeria, DataReportal, 2025 link [1067]
4. "Nigeria's active internet subscribers hit 142.6m" (NCC data), AllAfrica, 2025-12-11 link [1068]
5. "Nigeria: data consumption soars 35 percent to 13.2m terabytes" (NCC data), AllAfrica, 2026-01-07 link [1069]
6. National Artificial Intelligence Strategy, FMCIDE/NITDA/NCAIR, 2025-09-19 link [1070]
7. Nigeria's AI Governance Approach, Digital Policy Alert and AI Safety Nigeria, 2026-08-05 link [1074]
8. Policy Brief: Nigeria's National AI Strategy, Tunani, 2026-04 link [1072]
9. NAIS @ 2 Years: Impact Story and Ecosystem Compilation, NCAIR, 2026-04-29 link [1071]
10. NCAIR homepage, NITDA (accessed 2026-10-01) link [1079]
11. NCAIR1/N-ATLaS, Hugging Face (accessed 2026-10-01) link [1077]
12. "AI strategy: NITDA says Nigeria co-creating framework with innovators, startups", Nairametrics, 2025-10-05 link [1076]
13. Data protection laws of the world: Nigeria, DLA Piper (accessed 2026-10-01) link [1075]
14. Africa Entertainment & Media Outlook 2025–2029, PwC, 2025 link [1085]

15. Social Media Statistics in Nigeria (2026 Data Report), Krestel Digital, 2026 link [1083]
16. Digital 2026 Mid-Year Global Update Report, DataReportal, 2026-04 link [1084]
17. People, skills and digital innovation for jobs in Africa (event page), World Bank, 2026-01-28 link [1082]
18. GIRAI 2026 coverage, Streamline Feed, 2026-07 link [1073]
19. "Big Tech is racing to own Africa's internet", Rest of World, 2026-01-21 link [1081]
20. National Artificial Intelligence Strategy (NAIS), OECD.AI (accessed 2026-10-01) link [1086]
21. AI Index Report 2026, Chapter 4: Economy, Stanford HAI, 2026 link [61]
22. National AI policy initiatives: Nigeria, OECD.AI (accessed 2026-10-01) link [1087]
23. "Africa's hard road to AI sovereignty", Rest of World, 2026-05-21 link [1080]
24. Hugging Face, "NCAIR1/N-ATLaS" link [1078]

Africa · 43 of 46

Kenya

Deep dive KEN



Kenya is a paradox: only 8.9% of working-age Kenyans used generative AI in Q2 2026, the lowest of the five markets covered, yet 97.5% of online adults in GWI's survey used an AI tool in the past month, the highest of 54 markets. Only 40.5% of the population is online, so reach, not appetite, is the constraint.

8.9%
of working-age people use AI · rank 125 of 147
Microsoft AI Diffusion, Q2 2026

23.4m
internet users
DataReportal Digital 2026: Kenya, 2025

Key dates, 2026–27

2026-03-09	National dialogue launched on the draft AI and Emerging Technologies Policy
2026-05	Microsoft-G42 1GW Olkaria data-centre project reported stalled
2026-05-07	Safaricom FY26 results: 70+ AI/ML models in production
2026-07-21	Public consultation opens on draft AI and other Emerging Technologies Policy (closed 2026-08-04)

How AI is regulated

Existing law and sector regulators

What to watch

- Late 2026: final AI and Other Emerging Technologies Policy expected after the draft's published submission deadline of 4 August 2026 [1088]
- 2026-27: Senate progress on AI Bill 2026 (No. 4)
- 2026-27: implementation roadmap milestones under the 2025-2030 strategy

Kenya · Market and adoption

- **Connectivity.** 23.4m internet users at end-2025, 40.5% penetration, up 2.1m (+9.9%) in a year. 77.5m mobile connections and 18.4m social media identities [1089].
- **People.** Microsoft's measure rose from 7.8% (H1 2025) to 8.1% (H2 2025), 8.7% (Q1 2026) and 8.9% (Q2 2026) [16][17]. Microsoft reports the same Q2 2026 AI diffusion rate of 8.9% for Kenya, Haiti and Zimbabwe, which suggests a shared estimate [16]. GWI's Q4 2025 survey found 97.5% of online adults used at least one AI tool in the past month [1084]. The two do not conflict. Microsoft counts all people aged 15–64. GWI counts surveyed internet users.
- **Market size, investment, business adoption.** No credible AI market figure or official business adoption statistic found. Kenya is not in the Stanford AI Index private investment ranking [61].

- **Rankings.** Oxford Insights Government AI Readiness 2024: 101st [1072]. Global Index on Responsible AI 2026: 50th, score 39.50 [1073].

Kenya · Policy and regulation

- **National AI Strategy 2025–2030.** Adopted 27 March 2025 by the Ministry of Information, Communications and the Digital Economy (MICDE), after a consultation on 14–19 January 2025 [1090]. It covers AI digital infrastructure, data, research and innovation, talent, governance, investment, and ethics, equity and inclusion [1091]. It has 3 pillars plus 4 enablers. A separate implementation roadmap with milestones followed in December 2025 [1072].
- **Draft AI and other Emerging Technologies Policy 2026.** Announced 18 November 2025. National dialogue from 9 March 2026. Public consultation ran 21 July to 4 August 2026 [1092].
- **Artificial Intelligence Bill, 2026 (No. 4).** Introduced in the Senate on 19 February 2026 [1093]. It covers providers, deployers and users. It would require risk and human-rights impact assessments, transparency, human oversight and record-keeping. It would create an Office of the AI Commissioner and an Advisory Committee on AI [1074].
- **Regulatory sandbox.** Run by the Communications Authority since 2025 [1091].
- **Data Protection Act 2019.** In force since 25 November 2019, enforced by the Office of the Data Protection Commissioner (ODPC). Firms must register unless revenue is under KES 5m and staff under 10. Financial services, telecoms, health, education and digital credit must register regardless of size. Direct marketing needs express consent unless law allows it, plus an opt-out. Fines go up to KES 5m (about USD 38,760) or 1% of turnover, whichever is lower. ODPC is drafting compliance audit rules [1094].

Exhibit 2.89: Kenya: the rules that matter for AI

Source: Research notes and official texts for Kenya; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Data Protection Act 2019 [1094]	[in force]	2019-11-25	ODPC regulates. Registration required unless revenue < KES 5m and < 10 staff (financial services, telecoms, health, education, digital credit must register regardless). Direct marketing needs express consent plus opt-out. Fines up to KES 5m or 1% of turnover, whichever is lower.
Artificial Intelligence Bill, 2026 (No. 4) [1093]	[proposed]	Introduced to the Senate 2026-02-19	Would regulate AI providers, deployers and users: risk and human-rights impact assessments, transparency, human oversight, record-keeping; would create an Office of the AI Commissioner and an Advisory Committee on AI.
Draft Kenya Artificial Intelligence and other Emerging Technologies Policy, 2026 [1092]	[draft]	Consultation 2026-07-21 to 2026-08-04	Would set the national AI governance framework; final text pending.

Law or rule	Status	Effective	What it means for business
Communications Authority of Kenya regulatory sandbox [1091]	[in force]	2025	Lets ICT innovators test products with regulator oversight.

Kenya · Ecosystem and big-tech moves

- **Microsoft and G42.** Announced 22 May 2024: $1bn, a geothermal data centre at Olkaria, a new Azure East Africa cloud region, an open-source Swahili and English model by G42, and cybersecurity training for 2,000+ people a year. It was due to be live within 24 months [1095]. Rest of World reports the proposed 1GW project stalled in May 2026 over payment disputes and partly over concerns about its power needs [1080] [1096].
- **Other cloud.** iXAfrica is working with Oracle on Kenya's first public cloud region [1080].
- **Skills.** Africa Centre of Competence for Digital and AI Skilling (2024) with MICDE, Microsoft and UNDP [1091]. The DigiKen programme has 15 Digital Innovation Hubs running [1072].
- **Safaricom.** 70+ AI and ML models in production. The Zuri assistant runs on Telegram, web, Facebook and the M-PESA app. AI models fight fraud and money laundering. An "AI Factory" is at an early stage [1097].
- **Local models.** Jacaranda Health's UlizaLlama is a Swahili and English model [1098].
- **Data work.** Nairobi's annotation workforce served Sama, CloudFactory and Remotasks. Workers formed the Data Labelers Association in 2025 with ten founders [1099]. Newer platforms such as Outlier, Mercor and Surge recruit professionals for AI training [1100].

Kenya · The AI services market and pricing

- **What buyers buy.** Fraud and AML models, conversational support, data annotation and AI training services, cloud capacity, and skills programmes [1097] [1099] [1100].
- **Price points.** We found no public local AI service prices. The ODPC fine cap (the lower of KES 5m and 1% of an undertaking's annual turnover in the preceding year) is the clearest compliance cost benchmark [1094].
- **Delivery.** Telco and platform-led (Safaricom), BPO and data-work contracts, and donor or big-tech skilling programmes [1091] [1097] [1099].

Exhibit 2.90: Kenya: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
Compliance cost benchmark: maximum ODPC administrative fine under the Data Protection Act 2019	KES 5 million or 1% of prior-year turnover, whichever is lower (plus KES 10,000 daily penalties)	approx. USD 38,760 for KES 5m (as stated by source)	[published]

Kenya · Leading industries and use cases

- **Mobile money.** FY26 M-PESA revenue was KShs 182.7bn (+13.4%). Transactions hit 46.4bn (+25.1%), worth KShs 41.7trn. There were 41.0m one-month active M-PESA customers [1097].
- **Agriculture.** Kenya Agricultural Data-sharing Platform (2023) [1091].
- **BPO and AI data work.** A large annotation workforce, now organising [1099].
- **Health.** Swahili health model UlizaLlama [1098].
- **Advertising.** The fastest-growing internet ad market in the world [1085] (source could not be re-opened on 3 Nov 2026).

Exhibit 2.91: Kenya: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Safaricom [1097]	Telecoms / fintech	AI/ML models for fraud and AML, Zuri conversational support, intelligent network maintenance	70+ AI/ML models in production; no financial impact disclosed	Claimed
Jacaranda Health [1098]	Health	UlizaLlama Swahili/English question-answering model	Hugging Face page lists 65.5K downloads	Reported
Microsoft and G42 [1080]	Cloud / data centres	USD 1bn geothermal-powered data centre at Olkaria and Azure East Africa region	Reported stalled in May 2026	Reported

Kenya · Marketing, search, advertising and channels

- **Ad reach (late 2025).** TikTok 18.4m (18+), Facebook 17.0m, YouTube 12.1m, LinkedIn 6.30m, Snapchat 4.99m, Instagram 3.95m [1089].
- **Ad spend.** PwC: internet advertising $224m in 2024, rising to $470m by 2029 (16.0% CAGR), the fastest-growing in the world. Digital will be 64% of ad spend by 2029 [1085].
- **Messaging and super apps.** M-PESA is the super app. Zuri gives AI support inside it and on social channels [1097].
- **Languages.** English and Swahili lead. Swahili models exist (UlizaLlama) and G42 promised one [1095] [1098].

Kenya · Opportunities

- Consumer AI products for online adults, 97.5% of whom report using an AI tool in GWI's survey; on Microsoft's population measure use is 8.9% [1084] [16].
- Fraud, credit and service AI on the M-PESA rail [1097].
- AI creative and ad operations for the world's fastest-growing internet ad market [1085] (source could not be re-opened on 3 Nov 2026).
- Compliance services for the coming AI Bill: impact assessments, record-keeping, oversight [1074].

- Upskilling data workers for higher-value AI training roles [1099] [1100].
- Cloud capacity via the Oracle and iXAfrica region while the Microsoft project is stalled [1080].

Kenya · Barriers and risks

- Only 40.5% of Kenyans are online [1089]. Diffusion is 8.9% [16].
- Power and financing risk on big data centres (the Olkaria stall) [1080] [1096].
- Labour disputes in data work [1099].
- Law in flux: the AI Bill and draft policy are not final [1092] [1093].

Kenya · Outlook 2026–27

- **Late 2026.** Final AI and Other Emerging Technologies Policy expected after the draft's published submission deadline of 4 August 2026 [1092] [1088].
- **2026–27.** AI Bill 2026 progress in the Senate [1101]. Roadmap milestones [1072].
- **Watch.** Whether the Microsoft and G42 project restarts [1080].
- **2029–2030.** PwC ad forecast of $470m [1085]. Strategy horizon ends in 2030 [1090].

Notes and sources

1. Global AI Diffusion Q2 2026, Microsoft, 2026-09 link [16]
2. Global AI Adoption in 2025, Microsoft, 2026-01 link [17]
3. Digital 2026: Kenya, DataReportal, 2025 link [1089]
4. Digital 2026 Mid-Year Global Update Report (GWI data), DataReportal, 2026-04 link [1084]
5. Kenya: National AI Strategy 2025-2030, Digital Policy Alert (accessed 2026-10-01) link [1090]
6. National AI policy initiatives: Kenya, OECD.AI (accessed 2026-10-01) link [1091]
7. Policy Brief: Nigeria's National AI Strategy (Kenya comparison), Tunani, 2026-04 link [1072]
8. Kenya: AI and Emerging Technologies Policy, Digital Policy Alert (accessed 2026-10-01) link [1092]
9. Kenya: Artificial Intelligence Bill, 2026 (No. 4), Digital Policy Alert (accessed 2026-10-01) link [1093]
10. Nigeria's AI Governance Approach (comparative section), Digital Policy Alert, 2026-08-05 link [1074]
11. Data protection laws of the world: Kenya, DLA Piper (last modified March 2026) link [1094]
12. "Microsoft and G42 announce $1 billion comprehensive digital ecosystem initiative for Kenya", Microsoft, 2024-05-22 link [1095]
13. "Africa's hard road to AI sovereignty", Rest of World, 2026-05-21 link [1080]
14. "South Africa joins the global resistance against American data centers", Rest of World, 2026-09-17 link [1096]
15. FY26 Investor Presentation, Safaricom, 2026-05-07 link [1097]
16. Africa Entertainment & Media Outlook 2025–2029, PwC, 2025 link [1085]
17. "From Chile to the Philippines, meet the people pushing back on AI", Rest of World, 2026-03-24 link [1099]
18. Jacaranda/UlizaLlama, Hugging Face (accessed 2026-10-01) link [1098]
19. GIRAI 2026 coverage, Streamline Feed, 2026-07 link [1073]
20. "I refused to train the AI that could replace me", Rest of World, 2026-09-03 link [1100]
21. AI Index Report 2026, Chapter 4: Economy, Stanford HAI, 2026 link [61]
22. Ministry of Information, Communications and the Digital Economy, "Public Participation: Draft Kenya AI and Other Emerging Technologies Policy", submission deadline 4 August 2026 link [1088]
23. Parliament of Kenya, "Bill Digest: The Artificial Intelligence Bill, 2026, Senate Bills No. 4 of 2026", April 2026 link [1101]

Africa · 44 of 46

South Africa

Deep dive ZAF



South Africa is Africa's AI usage leader: 23.9% of working-age people used generative AI in Q2 2026, the highest of any African economy in Microsoft's data and above the 18.8% global average. It has more data centres than any other African country, in a continent with about 409MW live and compute demand that could reach 2.2GW by 2030 (McKinsey, Africa-wide), though water and power protests are growing.

23.9%
of working-age people use AI · rank 48 of 147
Microsoft AI Diffusion, Q2 2026

67%
of firms use AI (large enterprises using generative AI; 100+ mid-sized and large firms surveyed)
World Wide Worx with Dell and Intel, 2025

51.7m
internet users
DataReportal Digital 2026: South Africa, 2025

Key dates, 2026–27

2026-04-26	Draft National AI Policy withdrawn after hallucinated citations found
2026-07-14	Housing Assembly protest in Cape Town calls for a data-centre moratorium
2026-08	Legal challenge filed by Housing Assembly and Foxglove against Equinix Cape Town data centre
2026-11	Revised National AI Policy due at Cabinet (department to Parliament, May 2026)
2027-01	Revised policy targeted for public comment
2027	End of Microsoft's ZAR 5.4bn AI and cloud investment window

How AI is regulated

Guidance only, no AI bill yet

What to watch

- Nov 2026: revised National AI Policy due at Cabinet; public comment targeted for January 2027
- 2026-27: Equinix Cape Town legal challenge and data-centre moratorium calls
- Through 2027: Microsoft ZAR 5.4bn investment window

South Africa · Market and adoption

- **Connectivity.** 51.7m internet users and 79.6% penetration at end-2025. 127m mobile connections. 29.1m social media identities [1102].
- **Generative AI usage among the working-age population.** Up from 19.3% (H1 2025) to 21.1% (H2 2025), 23.1% (Q1 2026) and 23.9% (Q2 2026) [16][17]. WindowsForum reports South Africa ranked 46th of 147 economies in Q1 2026 [1103].
- **Enterprise AI.** The South African Generative AI Roadmap 2025 (World Wide Worx with Dell and Intel, 100+ mid-sized and large firms) found 67% of large enterprises actively use generative AI, up from 45% in 2024. Only 14% have a formal company-wide strategy. Only 13% have governance or ethics frameworks. 32% report informal or unregulated use. 39% name cost as the main barrier. 87% are committed to staff upskilling. 75% do not track AI energy use [1104].
- **Market size and investment.** No credible AI market figure found. South Africa is not in the Stanford AI Index private investment ranking [61]. One South African system is on the June 2026 TOP500 list [1105].
- **Talent.** South Africa is the only one of our five in Stanford's LinkedIn talent charts. AI hiring grew 9.64% faster than overall hiring in 2025. Net AI talent migration was -0.02 per 10,000 LinkedIn members in 2025, roughly neutral [61].
- **Labour context.** Youth unemployment was 47.4% in Q2 2026, as cited by Rest of World [1100].

South Africa · Policy and regulation

- **National AI Policy Framework.** Released for deliberation on 7 August 2024. Consultation ran 25 October to 29 November 2024 [1106]. OECD.AI dates publication to October 2024 [1107].
- **Draft National AI Policy.** Cabinet approved it on 25 March 2026. Consultation opened on 9 April 2026 and was meant to run to 10 June 2026. The communications minister, Solly Malatsi, withdrew it on 26 April 2026 [1106][1108][1109]. At least 6 of 67 sources were hallucinated, as flagged by the civil rights group Article One. Malatsi said "the most plausible explanation is that AI-generated citations were included without proper verification" and promised "consequence management" [1109]. The draft had proposed a National AI Commission, an AI Ethics Board and an AI Regulatory Authority [1074]. The department told Parliament in May 2026 that a revised policy should go to Cabinet by November 2026, with public comment targeted for January 2027 [1110].
- **Other policy.** National Cloud and Data Policy (2024). AI Institute of South Africa with hubs at the University of Johannesburg and Tshwane University of Technology (2022). The national HPC system (NICIS). The WEF-linked C4IR South Africa (2019) [1107].
- **POPIA.** Enforced by the Information Regulator. Direct marketing by unsolicited electronic messages needs consent. Existing customers can get offers for similar products if they can opt out. Fines reach R10m, and criminal penalties go up to 10 years in prison [1111].

Exhibit 2.92: South Africa: the rules that matter for AI

Source: Research notes and official texts for South Africa; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Protection of Personal Information Act (POPIA) [1111]	[in force]	In force (Information Regulator enforces)	Direct marketing via unsolicited electronic communications needs consent (existing customers may get similar-product offers with opt-out); cross-border transfers need adequate protection, consent or contractual necessity; fines up to R10m and up to 10 years' imprisonment.
Draft National Artificial Intelligence Policy (DCDT) [1108]	[draft]	Withdrawn 2026-04-26	Would have created a National AI Commission, AI Ethics Board and AI Regulatory Authority; withdrawal leaves no national AI rulebook.
South Africa National AI Policy Framework [1106]	[in force]	2024-08-07 (released for deliberation)	Non-binding guidance on AI development and use.
National Cloud and Data Policy [1107]	[in force]	2024	Guides government use of data and cloud computing.

South Africa · Ecosystem and big-tech moves

- **Hyperscalers.** Microsoft committed ZAR 5.4bn (about $300m) to 2027. AWS plans $1.5bn until 2029 for AI across Africa. Equinix plans $438m, including a 174MW Cape Town site [1096].
- **Pushback.** Campaigners say the Cape Town site would use over 4.4bn litres of water a year. The Housing Assembly and Foxglove filed a legal challenge in August 2026 after a 14 July 2026 protest calling for a data-centre moratorium [1096].
- **GPUs.** Cassava announced plans for an Nvidia-powered AI factory in March 2025 [1112].
- **Local AI firms.** Lelapa AI sells Vulavula speech-to-text and translation for contact centres, covering isiZulu and Sesotho with code-switching [1113]. It also built InkubaLM [1114]. Local providers in 2026 coverage include Agile Bridge and Guideline BizTech [1115].
- **Insurance.** A 3 September 2026 headline says Discovery invested R388m in Vitality AI.

South Africa · The AI services market and pricing

- **Lelapa Vulavula (published).** Dev Pass $9.99 a month for 1,000 API calls. SMME Pass $49.99 a month for 10,000 calls. Enterprise is custom, for 500,000+ calls [1116].
- **Microsoft 365 Copilot on microsoft.com/en-za (published, USD).** Copilot Business $18 per user per month, paid yearly (down from $21). Business Premium with Copilot US$32/user/month, paid yearly; auto-renewing annual subscription, excluding VAT [1117] [1118]. These are prices seen on 1 Oct 2026; the page could not be re-opened on 3 Nov 2026.
- **Expert AI training labour.** Offers of R600 ($37) an hour against a R30.23 minimum wage [1100].
- **What buyers buy.** Enterprise generative AI rollouts, governance and upskilling (87% plan it) [1104], contact-centre speech AI [1113], and GPU and data-centre capacity [1096].
- **Delivery.** Hyperscaler marketplaces priced in USD, SI projects, and SaaS subscriptions.

Exhibit 2.93: South Africa: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
Lelapa AI Vulavula Dev Pass (transcription and translation API)	USD 9.99 per month for 1,000 API calls	9.99	[published]
Lelapa AI Vulavula SMME Pass	USD 49.99 per month for 10,000 API calls	49.99	[published]
Lelapa AI Vulavula Enterprise Pass	Custom pricing for 500,000+ API calls per month	–	[published]
Microsoft 365 Copilot Business (microsoft.com/en-za)	USD 18 per user per month, paid yearly (list USD 21; seen 1 Oct 2026, page could not be re-opened on 3 Nov 2026)	18	[published]
Microsoft 365 Business Premium with Copilot (microsoft.com/en-za)	USD 32 per user per month, paid yearly; auto-renewing annual subscription, excluding VAT [1118]	32	[published]
Expert AI-training work offered to South African professionals	R600 per hour (vs national minimum wage R30.23 per hour)	USD 37 per hour (as stated by source)	Claimed

South Africa · Leading industries and use cases

- **Financial services and insurance.** Discovery's Vitality AI spend and regulator caution [1115].
- **Data centres and cloud.** Africa-wide, about 409MW is live and compute demand could reach 2.2GW by 2030 (McKinsey); South Africa has the most data centres on the continent [1096].
- **Contact centres.** Local-language speech AI [1113].
- **Retail and e-commerce.** 62% of consumers recently bought from Takealot and 48% from SHEIN (September 2024). E-commerce users are forecast at 11.7m in 2025 and 21.52m by 2029 [1119].

Exhibit 2.94: South Africa: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Cassava Technologies with Nvidia [1112]	Cloud / compute	AI factory (GPU cloud) in South Africa	Plans announced March 2025	Reported
Discovery [1115]	Insurance / health	Vitality AI investment	R388m invested; URL references an R299m operating loss (headline only, article not read)	Reported
South African Reserve Bank [1115]	Public sector	Used AI to design the new R2 coin	Headline only, article not read	Reported
Mr D (food delivery) via a user's AI agent on WhatsApp [1115]	Retail / agentic commerce	Engineer ordered food using an AI agent on WhatsApp	Headline only, article not read	Reported
Department of Communications and Digital Technologies [1109]	Public sector	Draft National AI Policy drafted with unverified AI-generated citations	At least 6 of 67 sources hallucinated; policy withdrawn 26 April 2026	Reported

South Africa · Marketing, search, advertising and channels

- **Ad reach (late 2025).** TikTok 29.1m (18+), Facebook 27.9m, YouTube 26.9m, LinkedIn 17.0m, Instagram 8.60m, Snapchat 5.40m [1102].
- **Ad spend.** PwC: internet advertising ZAR 35,326m ($1,912m) in 2024, rising to ZAR 51,760m ($2,801m) by 2029 (7.9% CAGR). Digital will be 74% of ad spend by 2029 [1085].
- **Languages.** A multilingual market. Local tools cover isiZulu, isiXhosa and Sesotho [1113] [1114].

South Africa · Opportunities

- Governance and strategy services. Only 13% of large firms have AI governance and 32% report informal use [1104].
- Data-centre and GPU supply for Africa-wide compute demand that could reach 2.2GW by 2030, from the country with the most data centres on the continent [1096].
- Local-language contact-centre and CX automation [1113] [1116].
- Financial services and insurance AI, where firms already spend heavily [1115].
- High-value AI training and evaluation work for skilled professionals [1100].
- POPIA-compliant, consent-based AI marketing and CRM [1111].

South Africa · Barriers and risks

- A national policy vacuum after the withdrawal [1106] [1109].
- Power, water and community resistance to data centres [1096].
- Cost is the top barrier for 39% of firms [1104].

- Shadow AI use and weak governance [1104].
- High unemployment makes job-loss fears politically sensitive [1100].
- Most tools are priced in USD [1116] [1117].

South Africa · Outlook 2026–27

- **2026–27.** A revised AI policy is due at Cabinet by November 2026, with public comment targeted for January 2027 [1110].
- **2026–27.** The Equinix legal challenge and data-centre moratorium calls [1096].
- **Through 2027.** Microsoft's ZAR 5.4bn investment window [1096].
- **Watch.** Financial regulator stance on AI rules [1115].
- **2029–2030.** PwC ad forecast of ZAR 51,760m [1085]. Africa-wide compute demand could reach 2.2GW by 2030 [1096].

Notes and sources

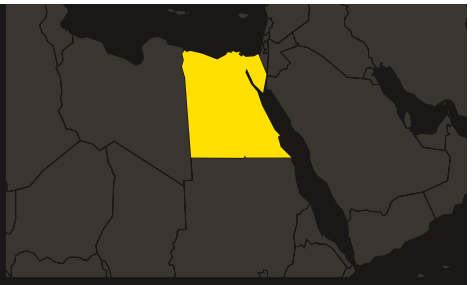
1. Global AI Diffusion Q2 2026, Microsoft, 2026-09 link [16]
2. Global AI Adoption in 2025, Microsoft, 2026-01 link [17]
3. Digital 2026: South Africa, DataReportal, 2025 link [1102]
4. South Africa: National Artificial Intelligence Policy, Digital Policy Alert (accessed 2026-10-01) link [1106]
5. South Africa: Draft National AI Policy, Digital Policy Alert (accessed 2026-10-01) link [1108]
6. "Five times AI hallucinations embarrassed governments", Rest of World, 2026-05-07 link [1109]
7. Nigeria's AI Governance Approach (comparative section), Digital Policy Alert, 2026-08-05 link [1074]
8. National AI policy initiatives: South Africa, OECD.AI (accessed 2026-10-01) link [1107]
9. Data protection laws of the world: South Africa, DLA Piper (last modified 2026-02-16) link [1111]
10. "South Africa joins the global resistance against American data centers", Rest of World, 2026-09-17 link [1096]
11. "Africa's hard road to AI sovereignty", Rest of World, 2026-05-21 link [1080]
12. "SA businesses embrace GenAI but strategy and skills lagging, finds 2025 Roadmap", MyBroadband, 2025-07-17 link [1104]
13. Africa Entertainment & Media Outlook 2025–2029, PwC, 2025 link [1085]
14. Lelapa AI homepage (accessed 2026-10-01) link [1113]
15. Vulavula pricing, Lelapa AI (accessed 2026-10-01) link [1116]
16. lelapa/InkubaLM-0.4B, Hugging Face (accessed 2026-10-01) link [1114]
17. Microsoft 365 Copilot for business (South Africa site), Microsoft (accessed 2026-10-01) link [1117]
18. "I refused to train the AI that could replace me", Rest of World, 2026-09-03 link [1100]
19. AI news index (headlines dated 31 Jul to 28 Sep 2026), MyBroadband (accessed 2026-10-01) link [1115]
20. E-commerce in South Africa (topic page), Statista (accessed 2026-10-01) link [1119]
21. "Will AI push the Global South further behind?", PassBlue, 2026-09-30 link [1105]
22. "South Africa's AI adoption lead in Africa: Microsoft Q1 2026 data", WindowsForum, 2026 link [1103]
23. AI Index Report 2026, Chapter 4: Economy, Stanford HAI, 2026 link [61]
24. Reuters via Bizcommunity, "South Africa targets January 2027 for revised AI policy after earlier withdrawal", 2026-05-26 link [1110]
25. Cassava Technologies, "Cassava to upgrade its data centres with NVIDIA supercomputers to drive Africa's AI future." link [1112]

26. Microsoft, "Microsoft Copilot for Business: Enterprise AI Solutions" link [1118]

Africa · 45 of 46

Egypt

Country profile EGY



Egypt has a broad set of non-binding AI governance tools: a second National AI Strategy (2025-2030), a national AI governance framework (March 2026) and national generative AI and responsible AI guidelines (2026). Generative AI use reached 15.5% of working-age people in Q2 2026, second among the five.

15.5%
of working-age people use AI · rank 73 of 147
Microsoft AI Diffusion, Q2 2026

98.2m
internet users
DataReportal Digital 2026: Egypt, 2025

Key dates, 2026–27

2026-02-11	Ai Everything Middle East & Africa 2026 held in Cairo (11-12 Feb), hosted with MCIT and ITIDA
2026-03-14	Guide to Egypt's National AI Governance Framework adopted
2026-09-08	Planning Minister says Egypt is working with the OECD on its national AI strategy
2026-09-19	President orders expansion of large-scale data centres and 5G; outsourcing export target USD...

How AI is regulated

Guidance only, law in drafting

What to watch

- 2026-27: OECD-backed national AI strategy work
- 2026-27: data-centre and 5G expansion under the Sept 2026 presidential directive
- 2028: USD 8bn digital export target

Egypt · Market and adoption

- **Connectivity.** 98.2m internet users and 82.7% penetration at end-2025. 121m mobile connections. 51.6m social identities. Median fixed speed 89.84 Mbps [1120].
- **People.** 12.5% (H1 2025), 13.4% (H2 2025), 14.8% (Q1 2026), 15.5% (Q2 2026) [16][17].
- **Market.** No AI market figure found. A secondary source puts the ICT market at $23.60bn in 2025, rising to $53.11bn by 2030 [1121]. Egyptian startups took about 31% of African startup funding in H1 2025, as reported by Daily News Egypt (claimed) [1122].
- **Rankings.** Global Index on Responsible AI 2026: 48th [1073]. Summit material says Egypt ranks first in Africa on Oxford Insights' Government AI Readiness index [1122].

Egypt · Policy and regulation

- **National AI Strategy.** First edition 6 July 2021. The second edition (2025–2030) was announced on 9 December 2024 and issued on 22 January 2025 by the National Council for AI [1123]. It has six pillars: governance, technology, data, infrastructure, ecosystem and talent. 2030 targets: ICT at 7.7% of GDP, 30,000 AI experts, 250+ startups, and a national foundation model [1124]. Other stated targets: 26% of workers using AI tools and 36% of citizens using AI apps [1125].
- **Governance.** Guide to the National AI Governance Framework (14 March 2026), prepared by the Egyptian Center for Responsible AI [1126]. National Generative AI Guidelines and National Guidelines for Trustworthy and Responsible AI, both 2026 [1124]. The National Council for AI, Quantum Computing and Emerging Technologies is chaired by the ICT minister [1074]. On 8 September 2026, Planning Minister Ahmed Rostom said Egypt is working with the OECD on its national AI strategy [1127].
- **Data protection.** Personal Data Protection Law No. 151 of 2020, run by the Personal Data Protection Centre. Licences cost up to EGP 2m and permits up to EGP 500,000. E-marketing needs consent and an easy opt-out, with records kept for three years. Fines reach EGP 5m [1128].

Exhibit 2.95: Egypt: the rules that matter for AI

Source: Research notes and official texts for Egypt; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Personal Data Protection Law No. 151 of 2020 [1128]	[in force]	In force; executive regulations recently issued (date not confirmed in source)	Controllers/processors need licences (fees up to EGP 2m) or permits (up to EGP 500,000); e-marketing needs consent, sender ID and easy opt-out, with 3-year records; fines up to EGP 5m.
Guide to Egypt's National AI Governance Framework [1126]	[in force]	2026-03-14	Umbrella of national AI governance instruments prepared by the Egyptian Center for Responsible AI; non-binding.
Egypt National Generative AI Guidelines [1124]	[in force]	2026	Principles for safe, responsible and transparent generative AI use.
Egypt National Guidelines for Trustworthy and Responsible AI [1124]	[in force]	2026	National reference for responsible development, deployment and oversight of AI systems.

Egypt · Ecosystem and big-tech moves

- **State programmes.** In September 2026, President Sisi ordered more large-scale data centres, 5G, cloud and AI investment. The "Karnak" AI programme targets digital sovereignty and Arabic generative AI. "Digilians" trains job seekers [1129].

- **Events and investors.** Cairo hosted Ai Everything Middle East & Africa on 11–12 February 2026 (GITEX, with MCIT and ITIDA) [1122]. 500 Global has invested in 65+ Egyptian companies [1125].
- **Models and compute.** MBZUAI-Paris built Nile-Chat-12B for Egyptian Arabic [1130]. Rest of World reports plans for 12,000 Nvidia GPUs for centres in the Big Four (including Egypt) and Morocco [1080].

Egypt · The AI services market and pricing

No public AI service prices found. Regulatory costs are known: PDPL licences up to EGP 2m and permits up to EGP 500,000 [1128]. Delivery leans on state programmes, outsourcing exports and ITIDA-backed schemes [1125] [1129].

Exhibit 2.96: Egypt: AI service and tool prices seen

Source: Published price pages, surveys and vendor claims, as tagged. Indicative only.

Item	Price	USD	Type
PDPL licence / permit fees for data controllers and processors (compliance cost)	Up to EGP 2,000,000 (licence); up to EGP 500,000 (permit)	–	[published]

Egypt · Leading industries and use cases

Government and public services (Karnak) [1129]. IT and business-process outsourcing, with an $8bn digital export target by 2028 and $12bn in digital outsourcing exports by 2029 [1129]. Startups, backed by ITIDA programmes and investors such as 500 Global [1125].

Exhibit 2.97: Egypt: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Egyptian government (Karnak programme) [1129]	Public sector	Foundation for Arabic-language generative AI applications and digital sovereignty	Announced; no results disclosed	Claimed
MBZUAI-Paris [1130]	Language AI	Nile-Chat-12B Egyptian Arabic model	Hugging Face page lists 11.4K downloads	Reported

Egypt · Marketing, search, advertising and channels

Ad reach (late 2025): Facebook 51.6m, YouTube 49.3m, TikTok 48.8m (18+), Instagram 21.7m, Snapchat 20.6m, LinkedIn 15.0m [1120]. Egyptian Arabic needs dialect-tuned models such as Nile-Chat [1130]. We found no credible digital ad spend figure.

Egypt · Opportunities

Arabic and Egyptian-dialect AI products [1129][1130]. AI-enabled outsourcing exports [1129]. Governance and compliance services under the 2026 framework and PDPL [1126][1128]. Services to the 30,000-expert and 250-startup targets [1124].

Egypt · Barriers and risks

Strategy overlap: In September 2026, Egypt's planning minister announced work with the OECD on a national AI strategy (a five-year vision), although a 2025-2030 strategy already exists [1127]. No AI market data.

Egypt · Outlook 2026–27

Watch the OECD-backed strategy [1127], data-centre and 5G rollouts [1129], and progress toward the 2028 export target [1129].

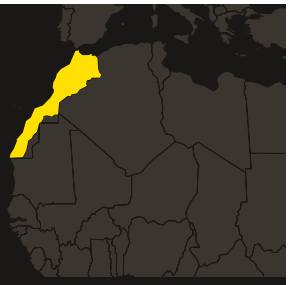
Notes and sources

1. Global AI Diffusion Q2 2026, Microsoft, 2026-09 link [16]
2. Global AI Adoption in 2025, Microsoft, 2026-01 link [17]
3. Digital 2026: Egypt, DataReportal, 2025 link [1120]
4. Egypt: National AI Strategy 2025-2030 (second edition), Digital Policy Alert (accessed 2026-10-01) link [1123]
5. National AI policy initiatives: Egypt, OECD.AI (accessed 2026-10-01) link [1124]
6. Guide to Egypt's National AI Governance Framework, Digital Policy Alert (accessed 2026-10-01) link [1126]
7. Nigeria's AI Governance Approach (comparative section), Digital Policy Alert, 2026-08-05 link [1074]
8. "Egypt seeks to empower AI startups through national strategy", Daily News Egypt, 2025-03-25 link [1125]
9. "Egypt begins work on national AI strategy with OECD: Planning minister", Daily News Egypt, 2026-09-08 link [1127]
10. "AI-Sisi orders expansion of data centres, 5G as Egypt targets $12bn in outsourcing exports by 2029", Daily News Egypt, 2026-09-19 link [1129]
11. "Egypt to host region's first AI summit in 2026", Daily News Egypt, 2026-01-26 link [1122]
12. Data protection laws of the world: Egypt, DLA Piper (accessed 2026-10-01) link [1128]
13. MBZUAI-Paris/Nile-Chat-12B, Hugging Face (accessed 2026-10-01) link [1130]
14. GIRAI 2026 coverage, Streamline Feed, 2026-07 link [1073]
15. Telecommunications in Egypt, Wikipedia (accessed 2026-10-01) link [1121]
16. "Africa's hard road to AI sovereignty", Rest of World, 2026-05-21 link [1080]

Africa · 46 of 46

Morocco

Country profile MAR



Morocco is the most connected of the five markets, with 92.2% of people online. It launched the 'Morocco AI 2030' roadmap on 12 January 2026 and moved it into implementation on 8 September 2026, targeting MAD 100bn (about USD 10bn) in added GDP value, 50,000 jobs and 200,000 AI-trained people by 2030.

12.0%
of working-age people use AI · rank 90 of 147
Microsoft AI Diffusion, Q2 2026

35.5m
internet users
DataReportal Digital 2026: Morocco, 2025

Key dates, 2026–27

2026-01-12	Morocco AI 2030 roadmap launched in Rabat; Mistral AI R&D lab agreement signed
2026-04-24	CAESD report: about 1.5m jobs at direct risk from AI by 2030
2026-09-08	AI strategy moves into implementation: JAZARI network, sovereign AI marketplace, Idarati AI...

How AI is regulated

Existing law and sector regulators

What to watch

- 2026-27: parliamentary progress on the AI use law (No. 396) and the national AI governance agency bill
- 2026-27: JAZARI network rollout and sovereign AI marketplace
- 2030: MAD 100bn value added, 50,000 jobs and 200,000 AI talents targets

Morocco · Market and adoption

- **Connectivity.** 35.5m internet users and 92.2% penetration at end-2025. 57.1m mobile connections. 22.8m social identities [1131].
- **Generative AI diffusion (working-age population usage).** 10.5% (H1 2025), 10.9% (H2 2025), 11.7% (Q1 2026), 12.0% (Q2 2026) [16][17]. GWI: 82.3% of internet users aged 16–24 used ChatGPT in the past month [1084].
- **Jobs and talent.** A CAESD report (April 2026) says about 1.5m Moroccan jobs face direct technical risk from AI by 2030. BPO, call centres, banking and public administration are most exposed. Morocco produced about 22,000 digital graduates in 2024 but needs to retrain 250,000 to 480,000 workers a year [1132].
- **Compute.** One Moroccan system is on the June 2026 TOP500 list [1105].

- **Market size and investment.** No credible figure found.

Morocco · Policy and regulation

- **Digital Morocco 2030.** Launched September 2024, with a 2024–2030 programme contract for offshoring [1133]. Since 16 October 2026 the portfolio sits with Ahmed Rahhou, Minister of Artificial Intelligence, Digital Transformation and Administration Reform; Amal El Fallah Seghrouchni led it until then [1134]. A Jazari Institute for AI training and applied research was announced in April 2025 [1135].
- **Morocco AI 2030.** Launched 12 January 2026 in Rabat under an "AI Made in Morocco" banner [1136]. Targets: up to $10bn in GDP by 2030 (about a 6% boost), 200,000 AI graduates and 50,000 AI jobs. A Mistral AI research lab agreement was signed [1137]. The September 2026 implementation plan restates MAD 100bn in value added, 50,000 jobs and 200,000 certified AI talents. It rests on three pillars and a JAZARI network (ROOT, Smart City, EduTech, Industrie X.0). First products include a sovereign AI marketplace and "Idarati AI", an agentic assistant for admin procedures [1138].
- **AI bills.** Law Regulating the Use of AI (No. 396), introduced 31 December 2024 in the House of Representatives, with a four-tier risk model [1139]. It would ban unacceptable-risk AI, require authorisation for AI in critical infrastructure and create a National Committee for the Use of AI. A separate bill in the House of Councillors would set up a National Agency for AI Governance [1074] .
- **Data protection.** Law 09-08 (18 February 2009), enforced by the CNDP [1140]. Most processing needs a prior declaration to the CNDP. Prior authorisation applies to sensitive data, transfers abroad and a few other cases [1141]. E-marketing needs express prior consent. Fines range from MAD 10,000 to MAD 600,000 [1141].

Exhibit 2.98: Morocco: the rules that matter for AI

Source: Research notes and official texts for Morocco; status as of 1 Oct 2026.

Law or rule	Status	Effective	What it means for business
Law No. 09-08 on protection of personal data [1141]	[in force]	2009-02-18	Prior CNDP declaration for most processing, authorisation for sensitive data and a few other cases; express prior consent for e-marketing; CNDP authorisation for transfers abroad; fines MAD 10,000-600,000 (doubled for legal entities).
Law Regulating the Use of Artificial Intelligence (No. 396) [1139]	[proposed]	Introduced to House of Representatives 2024-12-31	Four-tier risk classification; would ban unacceptable-risk AI, require authorisation for AI in critical infrastructure, and create a National Committee for the Use of AI.
Bill establishing a National Agency for AI Governance [1074]	[proposed]	Before the House of Councillors (as of July 2026)	Would create a dedicated AI governance agency.

Morocco · Ecosystem and big-tech moves

Iozera's planned 386MW AI data centre and hub in Tetouan (2024) [1142]. The Mistral AI lab [1137]. The AI-Khwarizmi research programme (2019) funds 45 projects across 15 universities [1142]. The International Centre for AI is a UNESCO category II centre (November 2023) [1143]. Darija models include MBZUAI-Paris's Atlas-Chat [1144]. Rest of World reports plans for 12,000 Nvidia GPUs for centres in the Big Four and Morocco [1080].

Morocco · The AI services market and pricing

No public AI service prices found. Delivery is state-led through JAZARI institutes, a sovereign marketplace and offshoring contracts [1138] [1133].

Morocco · Leading industries and use cases

Public administration (Idarati AI) [1138]. BPO and call centres, the most exposed sector [1132]. Industry 4.0 transition (JAZARI Industrie X.0) [1145]. Education (JAZARI EduTech) [1138].

Exhibit 2.99: Morocco: AI in action, named examples

Source: Company releases, filings and press; tagged reported or claimed.

Organisation	Industry	What	Result	Evidence
Ministry of Digital Transition and Administrative Reform [1138]	Public sector	Idarati AI, an agentic AI assistant to guide users through administrative procedures	Announced as an initial solution; no usage data	Claimed
Mistral AI and Moroccan government [1137]	AI research	Agreement to establish an R&D laboratory	Signed; no outputs reported yet	Reported
MBZUAI-Paris [1144]	Language AI	Atlas-Chat-9B Moroccan Darija model	Hugging Face page lists 23.6K downloads	Reported

Morocco · Marketing, search, advertising and channels

Ad reach (late 2025): Facebook 22.8m, YouTube 21.6m, TikTok 16.7m (18+), Instagram 15.1m, Snapchat 7.64m; LinkedIn 6.9m (registered members, 18+; not directly comparable) [1131] [1146]. Content must work across Darija, Arabic, Amazigh and French. Darija models exist [1144]. We found no credible digital ad spend figure.

Morocco · Opportunities

Govtech agents like Idarati AI [1138]. Darija NLP [1144]. Reskilling at scale for BPO workers [1132]. AI data-centre supply (Tetouan) [1142]. Offshoring upgraded with AI [1133].

Morocco · Barriers and risks

Job displacement risk [1132]. A thin talent pipeline [1132]. CNDP authorisation for data transfers [1141]. AI bills not yet passed [1139] [1074].

Morocco · Outlook 2026–27

Watch the AI bills [1139] [1074], the JAZARI network rollout [1138], and the 2030 targets [1137] [1138].

Notes and sources

1. Global AI Diffusion Q2 2026, Microsoft, 2026-09 link [16]
2. Global AI Adoption in 2025, Microsoft, 2026-01 link [17]
3. Digital 2026: Morocco, DataReportal, 2025 link [1131]
4. "Morocco 2026 digital report: 92% of the population now online", Morocco World News, 2025-11 link [1146]
5. Digital 2026 Mid-Year Global Update Report (GWI data), DataReportal, 2026-04 link [1084]
6. Morocco AI 2030 roadmap, Digital Policy Alert (accessed 2026-10-01) link [1136]
7. "Morocco unveils national AI roadmap aiming to add $10 billion to GDP by 2030", Hespress English, 2026-01-12 link [1137]
8. "Morocco moves AI strategy into implementation, targets MAD 100 bln in GDP value by 2030", Hespress English, 2026-09-08 link [1138]
9. "Report: AI could put 1.5 million Moroccan jobs at direct risk by 2030", Hespress English, 2026-04-24 link [1132]
10. Morocco: Law Regulating the Use of AI (No. 396), Digital Policy Alert (accessed 2026-10-01) link [1139]
11. Nigeria's AI Governance Approach (comparative section), Digital Policy Alert, 2026-08-05 link [1074]
12. Information technology in Morocco, Wikipedia (accessed 2026-10-01) link [1133]
13. Ministry of Digital Transition and Administrative Reform, "Ministry of Digital Transition and Administrative Reform: JAZARI Institute announcement", 2025-04-14 link [1135]
14. National AI policy initiatives: Morocco, OECD.AI (accessed 2026-10-01) link [1142]
15. Data protection laws of the world: Morocco, DLA Piper (accessed 2026-10-01) link [1141]
16. AI Watch: Global regulatory tracker, African Union, White & Case (accessed 2026-10-01) link [1143]
17. MBZUAI-Paris/Atlas-Chat-9B, Hugging Face (accessed 2026-10-01) link [1144]
18. "Will AI push the Global South further behind?", PassBlue, 2026-09-30 link [1105]
19. "Africa's hard road to AI sovereignty", Rest of World, 2026-05-21 link [1080]
20. Maroc.ma, "HM the King chairs new government appointment ceremony", 2026-10-16 link [1134]
21. Maroc.ma, "Fès-Meknès : Signature d'une convention pour la création d'une plateforme nationale de recherche, de développement et d'innovation dans le domaine de l'industrie intelligente", 2026-03-11 link [1145]
22. Morocco Ministry of Digital Transition and Administration Reform, "Law No. 09-08 on protection of personal data", 2009-02-18 link [1140]

Part 3

Industries: *where AI pays*

Which sectors lead AI adoption in each region, the 244 openings mapped across 25 industries, the plays that repeat, and a profile of every industry with real services, prices and examples.

Where AI leads, region by region

The opportunity map: 244 openings in 25 industries

Eleven plays that repeat across industries

25 industry profiles, from retail to government

3.1 · Where AI leads, region by region

Every country chapter names the sectors where AI is moving fastest. *Put them side by side and a clear global pattern appears.*

Exhibit 3.1

Sectors named as AI leaders in the country research: number of countries, by region

	NAM	UKI	EUR	MEA	SAS	GCH	JKR	SEA	OCE	LAT	AFR
Telecoms, IT and software	2	2	3	2	3	1	1	4	2	4	4
Financial services and fintech	2	1	1	2	2	1	1	4	1	4	4
Government and public services		2	2	3	1	1	1	2		3	3
Manufacturing and industry	1		5		1	2	1	4		2	1
Health and pharma		2		1		2	1	2	1	2	2
Retail and e-commerce	1		1	1	1	1		3		3	1
Energy, data centres and infrastructure		1	1	2	1	1		3	1	1	1
Media, marketing and creative		2		1		1		1	1	1	1
Transport, logistics and mobility		1	1			2	1	2			
Education and skills			1			1			1		2

Source: Country chapters in Part 2 (45 countries; each country lists the sectors where AI adoption or investment leads). A country can name several sectors.

Exhibit 3.1

Sectors named as AI leaders in the country research: number of countries, by region

	NAM	UKI	EUR	MEA	SAS	GCH	JKR	SEA	OCE	LAT	AFR	
Professional services	2	1						1	1			
Agriculture and food								1	1		1	
Defence and security			1	1								
Total	8	12	16	13	9	13	6	27	9	20	20	1

Source: Country chapters in Part 2 (45 countries; each country lists the sectors where AI adoption or investment leads). A country can name several sectors.

Four sectors lead almost everywhere: telecoms, IT and software; financial services; government and public services; and manufacturing. Health follows. Governments are among the most-named AI leaders in the Gulf and in parts of Africa and Asia, often through national AI programmes and digital-ID systems. Banks and fintechs lead in Latin America, India and Africa, where mobile payments are already digital. Manufacturing leads in East Asia and Germany. Retail and e-commerce lead where marketplaces and super-apps dominate.

A new official survey adds a firm-level view for the UK. The UK government's AI Adoption Survey 2026 (published 29 Oct 2026) finds the highest business use in information and communication (61%), real estate (45%) and business services (39%).

The country research also logged 115 named AI deployment entries by companies and governments (some appear on both a country and a region page). 61 are independently reported; 54 are claims by the company or its vendor. They appear in the industry profiles below and in each country chapter.

3.2 · The opportunity map: 244 openings in 25 industries

We mapped 244 specific AI openings across 25 industries. *Each one is a job a business will pay to have done, with a buyer, a budget and a time to value.*

244
AI openings mapped

99
can show value in 0–3 months

110
take 3–9 months

87
are less obvious plays few sellers offer yet

Exhibit 3.2

Where each play shows up: number of openings by industry and play type

	Chat agents	AI search	Speed-to-lead	Back-office	Creative	Voice	Compli…
Retail	3	2	1	1	2	1	
E-commerce and D2C brands	2			2	1		1
Restaurants and quick service	2	1	1		1	1	
Hospitality & travel	3	2	2	1	1	1	
Beauty & wellness	1	1	2	1	1		1
Home services		3	1	1		2	
Automotive dealerships	2	2	3		1	1	
Banking and fintech		2	3	1	2	2	2
Insurance		2	2	1	2	1	
Healthcare & clinics	1	2	3	2		1	1
Dental	3	2	3	1	1	1	1
Pharma & life sciences	3	1			2		2
Real estate	4	1	3	1	2		2

Source: Opportunity map of 244 AI openings, compiled from the services catalogue, practitioner signals and industry research (Oct 2026).

Exhibit 3.2

Where each play shows up: number of openings by industry and play type

	Chat agents	AI search	Speed-to-lead	Back-office	Creative	Voice	Com
Construction and building materials	3	3	1	4	1		
Manufacturing (B2B)	2	1	1	4	1		
Logistics	1	1		3	1		1
Agriculture	2	1	1	1	1	2	
SaaS & B2B tech	1	1	2	1	1		
Legal	3	1		2	1		2
Recruiting & HR	1	2	2			1	
Education & edtech	2	2	1	2	1		
Coaching, creators and courses	2	1	3	2	3		1
Media & publishing	1	2	1		3		1
Government & public sector		1		2	1	2	1
Nonprofits	4			2	1		
Total	46	37	36	35	31	16	16

Source: Opportunity map of 244 AI openings, compiled from the services catalogue, practitioner signals and industry research (Oct 2026).

Conversational agents, AI search visibility and speed-to-lead automation appear in almost every industry. They are the horizontal plays. Voice agents, compliance checks and governance cluster in regulated and high-volume sectors: banking, insurance, health and government.

Exhibit 3.3

Time to value: number of each industry's openings by how fast they pay back (sorted by share of quick wins)

Item	0–3 months	3–9 months	9–18+ months	n
Automotive dealerships	6	3	0	9
Media & publishing	5	3	0	8
Insurance	5	3	1	9
Restaurants and quick service	4	4	0	8
Beauty & wellness	4	3	1	8
Home services	4	3	1	8
Dental	6	5	1	12
SaaS & B2B tech	4	3	1	8
Coaching, creators and courses	6	4	2	12
Retail	6	7	1	14
Banking and fintech	6	7	1	14
Healthcare & clinics	4	4	2	10
Construction and building materials	5	4	4	13
Agriculture	3	4	1	8
Recruiting & HR	3	5	0	8
Education & edtech	3	3	2	8
Government & public sector	3	3	2	8
Pharma & life sciences	3	6	0	9
Manufacturing (B2B)	3	2	4	9
Hospitality & travel	4	8	1	13
Real estate	4	8	1	13

Source: Opportunity map (244 openings). Sorted by share of quick wins.

Exhibit 3.3

Time to value: number of each industry's openings by how fast they pay back (sorted by share of quick wins)

Item	0–3 months	3–9 months	9–18+ months	n
Logistics	2	3	3	8
Nonprofits	2	4	2	8
Legal	2	5	2	9
E-commerce and D2C brands	2	6	2	10

Source: Opportunity map (244 openings). Sorted by share of quick wins.

3.3 · Eleven plays that repeat across industries

The same eleven plays recur across the map. Knowing them helps buyers compare offers and helps sellers package them.

Play	Openings	Industries	Typical time to value
Conversational agents and chat commerce; AI agents on WhatsApp, web chat and messaging apps that answer, qualify, book and sell around the clock.	46	21	3–9 months
AI search and local visibility; Making a business findable and correctly described in AI answers, AI Overviews, maps and review platforms.	37	23	0–3 months
Speed-to-lead and CRM automation; Responding to every enquiry in minutes, scoring it and routing it into the CRM with follow-ups.	36	19	0–3 months
Back-office and knowledge AI; Custom builds on internal documents and workflows: claims, contracts, service manuals, reporting.	35	20	9–18+ months
AI creative and content operations; High-volume creative and content production with brand, legal and labelling checks.	31	22	0–3 months
Local-language voice agents; Phone and voice agents that speak local languages for bookings, reminders, collections and support.	16	12	3–9 months
Compliance-checked content and ad checks; Pre-publication checks of ads and content against sector rules and AI-labelling duties.	16	12	3–9 months

Play	Openings	Industries	Typical time to value
Reporting, analytics and insights; AI that reads data, reviews and conversations and turns them into decisions.	9	9	0–3 months
Agentic-commerce readiness; Preparing catalogues, prices and policies so AI shopping agents can find and transact.	8	5	3–9 months
AI enablement and frontline training; Training staff and partners to use AI safely, often delivered in short bursts on mobile.	8	8	3–9 months
AI governance packs; Policies, registers, risk checks and controls that let regulated firms use AI and pass audits.	2	2	3–9 months

Exhibit 3.4

What the market already sells: 321 AI service cases by category

Category	Cases
Voice agents & receptionists	64
Workflow & back-office automation	49
WhatsApp / chat agents & commerce	45
Training, strategy & governance	30
AI content & creative (video/UGC)	23
Custom AI development & platforms	17
AI search visibility (GEO/AEO/local)	16
Vertical specialist AI & analytics	15
Lead gen, speed-to-lead & SDR	13
Agentic commerce & agent infra	10
Benchmarks & market data	7
Conversational ads (ChatGPT Ads)	6

Source: Services catalogue: 321 AI service offers and deployments from 34 countries, collected Jul–Sep 2026. 'Other' not shown. See Part 5.

3.4 · Consumer, retail and commerce · Retail

14	6	5	High
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Store-level AEO (almost nobody sells AI-answer visibility per store)
- Store CRO via computer vision
- Staff micro-training
- Distributor pic-to-order
- ASCI/DPDP-compliant creative ops
- Agentic-commerce readiness

Who buys: CMO / Head of Marketing; Head of CRM/Loyalty; COO for ops ideas; Head of eCom/Quick-commerce for brand-side ideas.

ID	Opening	Play	Time to value
RT-01	Store-network local AEO/GBP program: optimise every store's GBP, reviews, Q&A and "near me" answers across Google, AI Overviews and ChatGPT	AI search	0–3 months
RT-02	WhatsApp reactivation engine for lapsed loyalty members (segmentation, AI offers in Hindi/English, 7-day enquiry window respected)	Speed-to-lead	0–3 months
RT-03	Conversational catalogue + checkout on WhatsApp for regional chains (text, voice, photo search)	Agentic comm.	3–9 months
RT-04	AI creative factory for festive calendars: 100s of localised store-level creatives per week, ASCI-labelled where required	Creative	0–3 months
RT-05	Retail-media ad ops for brands selling on Reliance/Amazon/Flipkart/Blinkit: AI bid and creative testing	Creative	0–3 months
RT-06	Return-reason mining → merchandising brief: LLM reads return notes, reviews and WhatsApp complaints, then outputs size/assortment fixes per store [less obvious]	Analytics	0–3 months
RT-07	Frontline staff micro-training on WhatsApp in 10+ Indian languages (product knowledge, upsell scripts, festive SOPs) [less obvious]	Training	3–9 months
RT-08	Distributor/kirana pic-to-order bot for FMCG and consumer-durables brands [less obvious]	Chat agents	3–9 months
RT-09	Next-basket / smart-basket prompts in app or WhatsApp for grocery and pharmacy chains	Chat agents	3–9 months
RT-10	In-store multilingual voice kiosk for large-format electronics and tourist-heavy stores	Voice	3–9 months

ID	Opening	Play	Time to value
RT-11	Agentic-commerce readiness audit: product feeds, schema, UCP/WebMCP, "Sponsored by" disclosure for AI recommendations [less obvious]	Agentic comm.	3–9 months
RT-12	Review and ORM response at scale (per-store tone, escalation of safety issues)	AI search	0–3 months
RT-13	CV funnel diagnostics as a paid pilot for one flagship store (footfall→trial room→billing), sold as "store CRO" [less obvious]	Back-office	9–18+ months
RT-14	Supplier/customer email triage copilot for head-office buying and CX teams	Chat agents	3–9 months

Services and prices seen in the market

Observed prices: Mostly in-house at big retailers; AI renders ₹8–30 each; AI UGC $50–500/video.

Seller	Offer	Price	Evidence
Shoprite / Checkers Sixty60 ("Pixie"); South Africa	Pixie predicts next basket for Xtra Savings Plus members; text, voice, image	n/a (membership feature)	Claimed
Walmart (Sparky, in-house); US	Sparky GenAI shopping agent in app; visual shopping; Walmart Connect ads	n/a (in-house)	Claimed
Magalu ("WhatsApp da Lu"); Brazil	Lu persona recommends from 300k sellers, guides checkout and post-sale	Not published	Claimed
Shoppers Stop; India	AI-powered apps	Not published	Claimed
Bata India x Zocket; India	Brief-to-publish AI agents	Not public	Claimed
Fynd x Reliance Retail ("Retail Jarvis"); India	CV reads in-store customer journey; single Mumbai pilot store	Not published	Claimed
Reliance Retail WhatsApp smartbot (SBO); India	WhatsApp smart bot for store customers: offers, reactivation	Not published	Claimed
Go4whatsup (Urban Thread Retail, 12 stores Delhi NCR); India	AI assistant for catalogue, orders, support across 12 stores	Not published	Claimed

Signals and examples

Latest signals: Meadow AI raised $7M for an AI 'digital secret shopper' for retailers. Jewellery chains are a sharp sub-vertical: festive creative at scale, gold-rate WhatsApp, store AEO. Quick-commerce ads hit ~₹6,000 cr (+50%).

- **Adobe (US retail traffic data)** (US): Measurement of AI-assistant referrals to US retail sites. AI-referred traffic +393% YoY in Q1 2026; converts 42% better than other traffic (Adobe's post could not be re-opened on 3 Nov 2026) Reported
- **Magazine Luiza** (Brazil): WhatsApp shopping assistant. Surpassed R$100m in cumulative sales by July 2026 Claimed
- **Mr D (food delivery) via a user's AI agent on WhatsApp** (South Africa): Engineer ordered food using an AI agent on WhatsApp. Headline only, article not read Reported

3.5 · Consumer, retail and commerce · E-commerce and D2C brands

10	2	3	Medium
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Agentic-commerce readiness
- Marketplace AI-Q&A optimisation
- Returns loops

Who buys: Founder/Head of Growth; CX head; category/ops head.

ID	Opening	Play	Time to value
EC-01	AI UGC and performance-creative studio (ASCI-labelled synthetic avatars)	Creative	0–3 months
EC-02	Agentic-commerce readiness (feeds, schema, UCP/WebMCP, ChatGPT app listing)	Agentic comm.	3–9 months
EC-03	WhatsApp cart recovery + quiz commerce	Chat agents	3–9 months
EC-04	On-site AI shopping assistant	Chat agents	3–9 months
EC-05	Returns-to-PDP loop (return reasons rewrite size charts and PDP copy automatically) [less obvious]	Analytics	0–3 months
EC-06	Support automation (Gorgias/Freshdesk plus LLM)	Back-office	9–18+ months
EC-07	Marketplace listing optimiser for Amazon/Flipkart/Myntra/quick-commerce (A+ content, Rufus-style Q&A readiness) [less obvious]	Agentic comm.	3–9 months
EC-08	"Sponsored by" disclosure layer for AI product recommendations and affiliate content [less obvious]	Compliance	3–9 months
EC-09	Catalogue enrichment and translation (10 Indian languages)	Agentic comm.	3–9 months

ID	Opening	Play	Time to value
EC-10	Retention flows with predictive LTV	Back-office	9–18+ months

Services and prices seen in the market

Observed prices: ₹1.6–4L per 10 products managed; agentic-commerce $300–3,500/mo; $4,995 readiness package.

Seller	Offer	Price	Evidence
Arcads; France	Hidden pricing	~$110-220/mo; ~$11/video (third-party estimate)	Unverified
AI UGC sellers (benchmarks); Global	Per video, 10-30 video test packs, retainers	$50-500/video; $500-3,000/pack; $2-10K+/mo	Secondary
Rivuletiq / Inovabeing / Yumi; India	Managed AI catalog shoots; self-serve renders	₹1.6-4L per 10 products managed; ₹8-30/render SaaS	Claimed
Creatify; US	Free / $39 / $99 per mo	~$1.65-2 per finished ad (third-party)	Secondary
@codyschneider (AI UGC ads agency); US	Unlimited ad creative + testing + management + reporting	$3,000/month retainer; 13 clients ≈ $40k/mo	Claimed
KailxLabs / GigaCommerce / Need Infotech; US / India	AI shopping readiness; product-data enrichment	$1,500 baseline (one-time); $4,995 AI-shopping readiness (one-time); $3,500/mo growth program	[published price]
@CEO_Vlad / @spwfeijen (AI UGC economics); n/a	~800 ads/mo at 5% hit rate for $100k/day spend; tools $77/mo; human UGC $150-500/video	Tool $77/mo; human $150-500/video	Claimed
Shopify WebMCP checkout; Canada	get/update/complete_checkout	Not published	Reported

Signals and examples

Latest signals: AI UGC retainers at $3,000/mo; brands hire in-house AI editors (disintermediation risk). Nykaa, Swiggy and ixigo are inside ChatGPT; Flipkart Buy is in Gemini.

- **Zalando** (Germany): Mistral models on AWS Bedrock for recommendations, service and operations. Vendor reports better personalisation and efficiency; no figures Claimed
- **Trendyol** (Turkey): In-house large language models (fine-tuned from open models) and AI-designed collections for Gulf markets. No outcome data published in sources reviewed Claimed

- **JD.com** (China): JoyStreamer AI digital-human livestream hosts for merchants. More than 50,000 merchants using it by end-Q4 2025 Claimed
- **JD.com** (China): AI customer service during 2025 Singles Day (11.11). Over 4.2 bn customer inquiries handled Claimed
- **Alibaba (Qwen app)** (China): Qwen app agentic ordering campaign over Lunar New Year (6-11 Feb 2026), backed by RMB 3 bn subsidies. More than 120 mn orders in six days Claimed

3.6 · Consumer, retail and commerce · Restaurants and quick service

8	4	3	Medium
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Indian direct-ordering
- Aggregator in-app AI search optimisation
- Franchise ops

Who buys: Founder/CMO of 5–200-outlet chains; franchise ops head.

ID	Opening	Play	Time to value
RS-01	Direct-ordering WhatsApp to cut aggregator commission	Chat agents	3–9 months
RS-02	Multi-outlet GBP/AEO + review program	AI search	0–3 months
RS-03	AI phone ordering and reservations (export/US; premium India)	Voice	3–9 months
RS-04	Aggregator listing optimiser (menu copy, photos, dish naming for in-app AI search) [less obvious]	Agentic comm.	3–9 months
RS-05	AI food photography and menu creatives (label if "not as served" risk)	Creative	0–3 months
RS-06	Franchise-ops copilot (SOP Q&A, audit checklists by photo) [less obvious]	Chat agents	3–9 months
RS-07	Loyalty win-back campaigns	Speed-to-lead	0–3 months
RS-08	Review-to-kitchen feedback loop (dish-level complaint mining) [less obvious]	Analytics	0–3 months

Services and prices seen in the market

Observed prices: US phone agents $100–600/mo.

Seller	Offer	Price	Evidence
Slang AI; US	Core / Premium per location	From $399 / $599 per location	[published price]
Loman AI; US	Custom quotes	From ~$199/mo (reported; custom)	[published price]
Restaurant AI phone roundup (pxlpeak); US	Flat vs per-minute vs per-order	Flat plans ~$100-600/mo	Secondary
@RoundtableSpace (restaurant ordering apps); n/a	iOS ordering apps built in ~30 min	$3,000 each	Claimed
Gupshup (Wow! Momo); India	Direct ordering on WhatsApp to cut aggregator dependence	Not published	Claimed
Swiggy x Sarvam (voice commerce); India	Order food/groceries by phone call without the app	Not published	Unverified
@deepak_s90 (India WhatsApp restaurant ordering); India	Order direct from repeat restaurants to bypass platform fees	Not published	Claimed
@adamguild (Owner.com Grader "AI CMO for restaurants"); US	Grader by Owner.com	Not published	Claimed

Signals and examples

Latest signals: Owner.com claims $1B+ sales via an 'AI CMO for restaurants'. Meta Muse targets restaurants. Swiggy runs MCP integrations for ChatGPT and Claude (Zomato reportedly too). Menus must read well to agents.

3.7 · Consumer, retail and commerce · Hospitality & travel

13	4	5	High
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Direct-booking WhatsApp agents for independents (Meta Business AI makes it cheaper)
- Staff training
- Wedding/MICE RFP automation
- Destination GEO
- Review-to-ops loops

Who buys: Owner/GM of independents (budget = OTA commission saved); chains: VP Distribution, Head of Marketing, VP Ops/L&D; DMC founders.

ID	Opening	Play	Time to value
HO-01	Direct-booking WhatsApp agent for independent hotels and small chains (rates, availability, payment link, handoff)	Chat agents	3–9 months
HO-02	Hotel GEO/AEO program: win AI answers and AI Overviews for destination and occasion queries	AI search	0–3 months
HO-03	OTA and Google review response + insight mining	AI search	0–3 months
HO-04	Pre-arrival upsell sequences (WhatsApp/email; transfers, spa, F&B)	Chat agents	3–9 months
HO-05	Staff micro-training on WhatsApp in regional languages (SOPs, grooming, upsell scripts) [less obvious]	Training	3–9 months
HO-06	AI RMS for independents (resell or implement; pair with direct-booking marketing)	Speed-to-lead	3–9 months
HO-07	Wedding/MICE RFP responder: reads the RFP, drafts proposals with menus, room blocks and pricing rules for sales approval [less obvious]	Back-office	9–18+ months
HO-08	Multilingual guest voice line (after-hours; reservation changes)	Voice	3–9 months
HO-09	Destination content network: AI-assisted, human-edited local guides that earn AI citations and backlinks [less obvious]	Creative	0–3 months
HO-10	Visa and itinerary assistant for tour operators and DMCs	Chat agents	3–9 months
HO-11	Guest-feedback → ops ticket loop (review mentions "AC noisy in 304" → maintenance ticket) [less obvious]	Analytics	3–9 months
HO-12	Loyalty win-back and festive campaigns with AI personalisation	Speed-to-lead	0–3 months
HO-13	Meta Business AI/agent setup and governance service for hotel brands (tone, guardrails, escalation, DPDP notices) [less obvious]	Governance	3–9 months

Services and prices seen in the market

Observed prices: ZTABS voice AED 180k–1.2M.

Seller	Offer	Price	Evidence
Independent-hotel AI revenue management (Propeter, Ramsi, others); Global	AI RMS for boutique and independent hotels	Varies (subscription)	Claimed

Seller	Offer	Price	Evidence
ZTABS; UAE / Saudi Arabia	Voice agent development Dubai; agent development Riyadh	Bilingual voice AED 180,000-300,000; multilingual enterprise AED 400k-1.2M	Claimed
Struere (Chile boutique hotel WhatsApp agent); Chile	24/7 WhatsApp reservation agent after losing ~30% of after-midnight enquiries	Not published	Unverified
Sufalam Technologies; India	Custom build	Not published	Claimed
Gupshup x Treebo (Meta Business Agent); India	Gupshup says this is the first enterprise Meta Business Agent deployment on WhatsApp; Treebo has 800+ hotels	Not published	Claimed
Sagepilot x Treebo (staff training); India	Daily micro-training in 12+ Indian languages; internal SOP agent for CX	Not published	Claimed
OYO / Prism (in-house AI agents); India	AI agent for end-to-end hotel operations announced Sep 2026	Not published	Unverified
Lighthouse x IHCL; India	Standardised RM and reporting across IHCL	Not published	Unverified

Signals and examples

Latest signals: 9-second AI UGC ads sold to hotels and gyms. Low end; bundle, don't sell alone. ixigo and EaseMyTrip launched ChatGPT apps (Apr 2026). Hotels need to be findable inside AI trip planners.

3.8 · Consumer, retail and commerce · Beauty & wellness

8	4	3	Medium
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Before/after compliance
- Stylist training

Who buys: D2C founder/growth head; salon-chain owner/ops head.

ID	Opening	Play	Time to value
BW-01	WhatsApp skin/hair quiz commerce	Chat agents	3–9 months

ID	Opening	Play	Time to value
BW-02	Salon/spa AI booking + no-show reminders	Speed-to-lead	0–3 months
BW-03	AI UGC and influencer content (ASCI labels for synthetic influencers)	Creative	0–3 months
BW-04	Before/after compliance checker (AI-enhanced images flagged; claims vs cosmetics rules) [less obvious]	Compliance	3–9 months
BW-05	Replenishment and membership campaigns	Speed-to-lead	0–3 months
BW-06	Salon-chain stylist training bot [less obvious]	Training	3–9 months
BW-07	Beauty AEO + ChatGPT app readiness	AI search	0–3 months
BW-08	Ingredient-question answering grounded in the brand's own formulation docs [less obvious]	Back-office	9–18+ months

Services and prices seen in the market

Observed prices: Salon AI receptionist $399/mo vs $3,000/mo hire (claimed).

Seller	Offer	Price	Evidence
Salon AI receptionist roundup (Futuro); Global	Tiered SaaS	$14-200/mo	Secondary
@andreysuperior (salon AI receptionist); n/a	Found via job vacancies; replaces a $3,000/mo hire	$399/month	Claimed
Nykaa (AskNykaa; ChatGPT app with OpenAI); India	Conversational search; Nykaa app inside ChatGPT	Not published	Unverified
Flowcart (Uncover Skincare); Kenya / Nigeria	Skin quiz, segmentation, abandoned-cart recovery on WhatsApp	Not published	Claimed
@thejoelwall (med spa AI SDR); n/a	Med spa lost 40% of leads to slow response	Not published	Claimed
BookingBee (Riudi Salon); n/a	Voice booking	Not published	Claimed
BookingBee (Salon Sora, Meevo); n/a	Voice booking	Not published	Claimed

Signals and examples

Latest signals: Med spa's 90-second inbound AI SDR plugged a ~$30k/mo lead leak (claimed). ASCI final guidelines (issued 29 Sep 2026, in force 29 Dec 2026) ban unauthorised deepfakes and require labels on synthetic influencers.

3.9 · Consumer, retail and commerce · Home services

8	4	3	Medium
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Appliance-brand service ORM
- Photo estimates

Who buys: Owner-operator; appliance-brand service head.

ID	Opening	Play	Time to value
HS-01	Missed-call text-back + AI receptionist	Voice	3–9 months
HS-02	Local SEO/GBP + review engine	AI search	0–3 months
HS-03	Photo-to-estimate for repairs (AC, plumbing, painting) [less obvious]	Back-office	9–18+ months
HS-04	AMC renewal campaigns	Speed-to-lead	0–3 months
HS-05	Technician upskilling bot (Urban Company uses voice agents for 55% of partner support (snippet) [#262]) [less obvious]	Training	3–9 months
HS-06	White-label voice AI for agencies (export)	Voice	3–9 months
HS-07	Service-area landing-page factory	AI search	0–3 months
HS-08	Brand-service-centre ORM for appliance brands' authorised networks [less obvious]	AI search	0–3 months

Services and prices seen in the market

Observed prices: GoHighLevel bundles $297/mo; HVAC answering $649/mo (claimed).

Seller	Offer	Price	Evidence
Square AI; Australia	AI Business Assessment; AI Receptionist; Tradie Admin Autopilot; AML/CTF AI Sprint	Assessment A$2,500 (credited); receptionist A$2,500 + A$349/mo; AML sprint A$4,500; market: self-serve A$99-149/mo, managed A$699-1,299/mo, SME builds A$2.5-20k	[published price]
Valory / Aussie AI Agency / Leva / AI Cartel; Australia	AI receptionist subscriptions	A$149-697/mo; setup A$0-4,000	[published price]
White-label voice AI agencies (benchmark); Global	Reception / qualification / outbound tiers	$250-1,500/mo + $1-2.5K setup	Secondary
@newonpolsia (AI-receptionist micro-brand flood); UK / India / Italy / Nigeria / Greece	15+ posts/day of micro-brands (RookRinger, Callwisp, etc.) for HVAC, plumbing, dental	"One saved job pays for the month"	Claimed
ServiceTitan AI Voice Agent; US	Usage-based	$2.75 per connected call (reported)	Claimed
Alpenglow AI; US	Clarity Audit; Build & Run; Missed-Call Text-Back	$750 audit; $1,200 setup + $250/mo per system; $750 one-time text-back	[published price]
@irentdumpsters (ChatGPT Ads ROAS); US	Dumpster rental advertiser	$20,000 spend	Claimed
@BirdVein (GoHighLevel SaaS-mode bundle); n/a	Bundle for plumbers, roofers, dentists, landscapers	$297/month; 34 clients = ~$10k/mo	Claimed

Signals and examples

Latest signals: The most-targeted niche on X. Hyper-saturated in the US.

3.10 · Consumer, retail and commerce · Automotive dealerships

9	6	3	High
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Indian dealer-group programmes combining GBP + WhatsApp + lead audit

Who buys: Dealer principal/GM; OEM digital head; service manager.

ID	Opening	Play	Time to value
AU-01	Dealer speed-to-lead WhatsApp (portal webhook → 2-minute qualification → booking → reminders)	Speed-to-lead	0–3 months
AU-02	Dealer GBP + review program across OEM networks	AI search	0–3 months
AU-03	Service-booking voice agent	Voice	3–9 months
AU-04	Exchange-car photo valuation assistant [less obvious]	Chat agents	3–9 months
AU-05	Model-comparison AEO ("Brezza vs Nexon") for OEMs/dealers	AI search	0–3 months
AU-06	Dealer-group lead audit (who replied first, leakage from personal WhatsApp) [less obvious]	Speed-to-lead	0–3 months
AU-07	Festive-season creative factory per dealer	Creative	0–3 months
AU-08	EV-buyer education bot (charging, subsidy, TCO in regional languages) [less obvious]	Chat agents	3–9 months
AU-09	Insurance-renewal and service-due campaigns	Speed-to-lead	0–3 months

Services and prices seen in the market

Observed prices: Ominiflow ₹59,988/yr + ~₹8,400/mo Meta fees (claimed); US voice $0.12–0.50/min.

Seller	Offer	Price	Evidence
Ominiflow (Pune multi-brand car dealer); India	CarDekho/OEM webhook → 2-min WhatsApp qualification, test-drive booking, exchange-photo flow	Rs59,988/year platform + ~Rs8,400/month Meta fees (claimed)	Claimed
Leadlock / ScaleVoice / Flai (dealer service voice); US	Per-minute or per-booked-appointment	$0.12-0.50/min or ~$15 per booked appointment	Claimed
@Aelert18 (car dealership first client); n/a	First paying AI agency client (X post could not be re-opened on 3 Nov 2026)	$1,000 setup + $250/month	Claimed
DaveAI x Maruti Suzuki (WhatsApp + GenAI assistant); India	Arena and Nexa WhatsApp assistants; 2026 GenAI assistant in 9 languages	Not published	Claimed

Seller	Offer	Price	Evidence
IBS Fulcro x Tata Motors (lead orchestrator); India	Processes 1.2M+ monthly leads from five sources	Not published	Unverified
AIKI AS; Norway	AI strategy to implementation	Not public	Claimed
Mia (Earnhardt Chevrolet); US	Inbound/outbound dealer calls	Not published	Claimed
ShortLoop (Toyota San Luis Obispo); US	Appointment capture	Not published	Claimed

Signals and examples

Latest signals: First AI-agency client: a dealer at $1,000 setup + $250/mo. Google's Business Agent for Leads (India beta) was tested for auto. EV explainers fit vernacular AEO.

3.11 · Financial services · Banking and fintech

14	6	5	High
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Governance-in-a-box for co-op banks and NBFCs
- Conduct/call analytics
- Compliant BFSI content ops
- BFSI AEO
- Finfluencer-safe creator programmes

Who buys: CMO/CDO; Head of Retail Lending/Cards; CRO/CCO/Compliance; COO/CIO.

ID	Opening	Play	Time to value
BK-01	Compliant AI content engine for BFSI marketing: product explainers, calculators and FAQs with a reviewer workflow and a claims library	Compliance	3–9 months
BK-02	Propensity-to-message campaigns for co-operative banks, small finance banks, NBFCs and credit unions (predict → personalise → push/WhatsApp)	Speed-to-lead	0–3 months
BK-03	BFSI AEO/GEO program: be the cited answer for "FD rates", "gold loan", "MSME loan eligibility" in AI assistants	AI search	0–3 months
BK-04	Board-ready AI governance pack (RBI FREE-AI): AI policy, use-case inventory, risk tiering, vendor clauses, audit trail, for co-op banks and NBFCs that lack in-house teams [less obvious]	Governance	3–9 months

ID	Opening	Play	Time to value
BK-05	Call-analytics-as-a-service for sales and conduct QA (every RM/telecaller call summarised, mis-selling flags, script adherence) [less obvious]	Voice	3–9 months
BK-06	Speed-to-lead voice qualifier for loan and card leads (DND-filtered, A2P-declared, 7-day window)	Speed-to-lead	3–9 months
BK-07	Website/app personalisation + CRO for loan journeys	Speed-to-lead	0–3 months
BK-08	Branch-staff AI copilot for product and policy Q&A (on-prem or private cloud) [less obvious]	Training	3–9 months
BK-09	Collections voice/WhatsApp agent with RBI fair-practice windows hard-coded	Voice	3–9 months
BK-10	ORM + complaint mining (app-store reviews, social, RBI ombudsman themes → fixes)	AI search	0–3 months
BK-11	Finfluencer-safe creator program: vetted SEBI-registered creators, AI claim checks, disclosure templates [less obvious]	Compliance	3–9 months
BK-12	Vernacular explainer video at scale (AI voice, labelled per ASCI where cloned) for Bharat customers	Creative	0–3 months
BK-13	Document-AI for MSME lending (bank statements, GST returns, ITR into underwriting summaries) [less obvious]	Back-office	9–18+ months
BK-14	Fraud-scam awareness content automation (weekly scam alerts in 10 languages)	Creative	0–3 months

Services and prices seen in the market

Seller	Offer	Price	Evidence
Synaptic AI Lab / AM Legals; India	AI risk assessments, ISO 42001 readiness, DPDP/RBI/SEBI/IRDAI-aligned policies	Custom	Claimed
Alice Labs; Sweden	Implementation-first AI agency (EU AI Act/GDPR native); Nordic-language models	Pricing bands (not captured)	Claimed
Klarna (in-house, OpenAI); Sweden	AI handled most chats; later re-added humans	n/a (in-house)	Reported
Backbase x African Banker (State of AI in African Banking 2026); Africa (37 countries)	277 senior leaders surveyed	Not published	Claimed

Seller	Offer	Price	Evidence
Nubank (in-house, nuFormer + support agents); Brazil / Mexico / Colombia	Evaluation-driven support agents at ~100M-user scale	Not published	Unverified
State Bank of India (in-house); India	AI-driven lead gen; cheque automation; AI-assisted MSME underwriting	Not published	Claimed
Central Bank of Kenya AI survey (via African Exponent); Kenya	CBK March 2025 survey of banks, MFIs, digital lenders	Not published	Reported

Signals and examples

Latest signals: Voice collections for $4.16 of phone cost (claimed). Ignores RBI fair-practice rules. RBI conduct rules on marketing and sale of financial products (in force 1 Jan 2027), SEBI draft ad code, SEBI accessibility (31 Oct 2026; source could not be re-opened on 3 Nov 2026) make BFSI one of the most urgent compliance buyers.

- **TD Bank (via Conductor)** (Canada): Enterprise adoption of generative engine optimisation (AI-search visibility) platform. Named among 50+ new Conductor enterprise logos in Q3 2025 Claimed
- **Belfius** (EU): Moved customer chatbot from scripted bot to Mistral Large, in Dutch, French and English. Vendor reports higher efficiency and satisfaction; no figures published Claimed
- **BNP Paribas** (France): Mistral models for Global Markets; extension to the whole group decided for 2024. Vendor reports 'very positive results' Claimed
- **Razorpay, NPCI, OpenAI** (India): Pilot of 'Agentic Payments on ChatGPT' with conversational checkout over UPI. Pilot with Axis Bank and Airtel Payments Bank Reported
- **PhonePe** (India): AI-powered natural-language search built on Microsoft Foundry. Announced Claimed

3.12 · Financial services · Insurance

9	5	3	High
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Agent/POSP training
- Conduct QA
- Cashless-process content

Who buys: Chief Distribution Officer; CMO; Head of Claims/Ops.

ID	Opening	Play	Time to value
IN-01	Speed-to-lead voice qualifier (Hindi/English/Hinglish, DND-filtered, A2P-declared)	Speed-to-lead	3–9 months
IN-02	Insurance explainer AEO ("term vs ULIP", "claim settlement ratio") with compliance review	AI search	0–3 months
IN-03	Renewal-rescue campaigns (WhatsApp + voice)	Speed-to-lead	0–3 months
IN-04	POSP/agent training copilot in regional languages (product quizzes, mis-selling guardrails) [less obvious]	Training	3–9 months
IN-05	Claims-status and document-checklist bot	Back-office	9–18+ months
IN-06	Mis-selling call-QA (every sales call scored for disclosure) [less obvious]	Voice	3–9 months
IN-07	Vernacular explainer video ads (labelled where synthetic)	Creative	0–3 months
IN-08	Hospital/TPA partner content hub (cashless process explainers for network hospitals) [less obvious]	Creative	0–3 months
IN-09	ORM + complaint theme mining (IGMS/ombudsman themes)	AI search	0–3 months

Services and prices seen in the market

Observed prices: Voice $0.12–0.50/min; white-label $250–1,500/mo.

Seller	Offer	Price	Evidence
Sonant; US	Custom partner-rate model	Not published	Claimed
@Saboo_Shubham_ (open-source Hindi claim voice agent); n/a	Live avatar; handles Hindi mid-call	Open source	Claimed
Ringg x Policybazaar; India	Call every form-fill in <60 s; qualify; route top leads to RMs; on-prem data	Not published	Claimed
@monikahalan (IRDAI mis-selling context); India	Insurance driven by distribution commissions/mis-selling	Not published	Claimed
Swift Headway AI; US	Illustrative (modelled, not a client) renewal-triage case study for an insurance agency	Not published	Claimed

Seller	Offer	Price	Evidence
US Tech Automations; US	Quote automation	Not published	Claimed
RenewalEngineAI (Pacific Agency Group); US	Renewal voice/outreach	Not published	Claimed
@usehandleai (Handle, insurance brokers); US	Agents plug into broker/carrier email and systems; documents to workflows	Not published	Claimed

Signals and examples

Latest signals: Handle raised $6M for broker AI agents; open-source Hindi claim voice agent lowers build cost. IRDAI formed an AI working group (Jun 2026). Sarvam handled renewals for 45M policyholders.

- **Ten major insurers (Insurance Authority AI Cohort Programme)** (Hong Kong): AI Centres of Excellence in Hong Kong. Commitments announced Claimed
- **Discovery** (South Africa): Vitality AI investment. R388m invested; URL references an R299m operating loss (headline only, article not read) Reported

3.13 · Health and life sciences · Healthcare & clinics

10	4	3	High
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- TPA pre-auth automation
- Compliance-checked medical AEO
- Indian-language scribes
- Report explainers

Who buys: Hospital CMO; COO/revenue cycle; CIO/medical director; clinic owner-doctor.

ID	Opening	Play	Time to value
HC-01	Clinic WhatsApp booking + no-show program	Speed-to-lead	0–3 months
HC-02	Hospital/doctor AEO with medical-review workflow (E-E-A-T, doctor bylines, no diagnosis claims)	AI search	0–3 months
HC-03	AI receptionist for OPD calls in Indian languages	Voice	3–9 months
HC-04	TPA pre-authorisation pack builder (pulls notes and reports into insurer format; flags missing documents) [less obvious]	Back-office	9–18+ months

ID	Opening	Play	Time to value
HC-05	Ambient scribe + discharge summary drafting (doctor signs)	Back-office	9–18+ months
HC-06	Lab-report explainer on WhatsApp (plain language + "consult your doctor" triggers) [less obvious]	Chat agents	3–9 months
HC-07	Health-package campaign automation (festive, corporate)	Speed-to-lead	0–3 months
HC-08	Medical-ad compliance checker (Drugs & Magic Remedies Act terms, NMC ethics, ASCI health rules) [less obvious]	Compliance	3–9 months
HC-09	Chronic-care adherence nudges (diabetes, cardiac)	Speed-to-lead	3–9 months
HC-10	Review generation + response (no incentives)	AI search	0–3 months

Services and prices seen in the market

Observed prices: Clinic bots ₹1,999/mo; ₹800/mo + ₹4/min.

Seller	Offer	Price	Evidence
Hellodesk; India	24×7 calls in 7 Indian languages; books appointments	From ₹1,999/mo	[published price]
ConnectAI; India	WhatsApp booking; voice receptionist; review auto-reply; GBP	₹1,999/mo; ₹800/mo + ₹4/min; ₹799/mo; ₹1,499 one-off	[published price]
Sphyx; India	Booking, reminders, follow-ups	Not published	Claimed
Botsense (12 Indore clinics); India	WhatsApp reminders/booking	Not published	Claimed
@symplicured (ClinicOS); India	ClinicOS AI front desk with doctor testimonial	Not published	Claimed
Deburise; n/a	Custom build	Not published	Claimed
@heypartharora (clinic AI receptionist pilots); n/a	Pitch to 7 healthcare clinics: lost patient revenue + up to 15% monthly cost saving; 2-week pilots (X post could not be re-opened on 3 Nov 2026)	Not published	Claimed

Seller	Offer	Price	Evidence
@Sunshine_Mom22 (receptionist backlash); n/a	Dermatology office AI receptionist failed to understand callback context	Not published	Claimed

Signals and examples

Latest signals: Consumer backlash on AI receptionists. Sell human handoff and QA as part of the offer. ChatGPT Ads won't run next to health topics. Health clients need organic AI visibility, not AI ads.

- **NHS England** (UK): AI-assisted chest X-ray reporting. One third of NHS chest X-rays now AI-enabled Reported
- **HUMAIN and Lean Business Services** (Saudi Arabia): SFDA-approved AI physician clinical trial. Approved; results pending Reported
- **MODA healthcare AI programme** (Taiwan): Non-contact measurement, abnormal behaviour alerts, safety monitoring, rehabilitation feedback. 11 demonstration cases approved in 2025; 57 proposals passed screening for 2026 Reported
- **Jacaranda Health** (Kenya): UlizaLlama Swahili/English question-answering model. Hugging Face page lists 65.5K downloads Reported

3.14 · Health and life sciences · Dental

12	6	4	Medium to high
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Treatment-plan explainers
- DCI-ethics ad checks
- Dental tourism concierge
- Multi-clinic chair utilisation
- Combined GBP + WhatsApp no-show programme for chains

Who buys: Owner-dentist (1–5 clinics, pays monthly); chains: CMO, COO, clinical director.

ID	Opening	Play	Time to value
DE-01	WhatsApp no-show killer (24h/2h reminders, one-tap confirm/reschedule, Hindi/Hinglish)	Speed-to-lead	0–3 months
DE-02	Dental local AEO + GBP program for multi-clinic groups	AI search	0–3 months

ID	Opening	Play	Time to value
DE-03	AI receptionist for missed and after-hours calls	Voice	3–9 months
DE-04	Recall and reactivation campaigns (6-month hygiene, incomplete treatment plans)	Speed-to-lead	0–3 months
DE-05	Treatment-plan explainer: turn the dentist's plan into a patient-language WhatsApp summary with visuals and EMI options (dentist-approved) [less obvious]	Creative	0–3 months
DE-06	Review generation + response within DCI ethics (no inducements)	AI search	0–3 months
DE-07	DCI-ethics ad checker: flag superiority claims, inducements and before/after misuse before campaigns go live [less obvious]	Compliance	3–9 months
DE-08	Implant/aligner high-ticket funnel (content, finance calculator, consult booking)	Speed-to-lead	0–3 months
DE-09	Multi-clinic chair-utilisation copilot (fill gaps from waitlists automatically) [less obvious]	Chat agents	3–9 months
DE-10	X-ray AI reseller/implementation (export markets or premium Indian chains)	Back-office	9–18+ months
DE-11	Dental tourism concierge (Gulf/UK/US patients: quotes, travel, aftercare in English/Arabic) [less obvious]	Chat agents	3–9 months
DE-12	Lab and supplier ordering assistant (impressions, crowns; status tracking)	Chat agents	3–9 months

Services and prices seen in the market

Observed prices: Clinic bots from ₹1,999/mo.

Seller	Offer	Price	Evidence
Arise Gulf ("Dental Growth OS", Smile Care Dental, Mumbai); India / UAE	3-clinic Hindi/English WhatsApp automation; built in ~10 days	Rs24,999/month all-in (~Rs8,333 per clinic) (claimed)	Unverified
Arini; US	Sales-led AI receptionist	Not published (demo-based quote)	[published price]
Dental AI x-ray pricing guide (Pearl, Overjet, others); US	Per-seat / per-scan / per-location pricing models	Mostly custom quotes (per guide)	Secondary

Seller	Offer	Price	Evidence
@ycombinator (PatientdeskAI; Toothy.ai); US	Inbound calls, booking, real-time insurance verification, claims; Toothy handles insurance calls	Not stated	Claimed
@recap_david (dentist after-hours voice agent); n/a	Practice losing $6,000+/mo (20-25 new patients) to missed calls	"$24,000/yr" deal	Claimed
PearlyAi (Hamilton, Ontario clinic); Canada	Week-one trial at a dental clinic	Not published	Unverified
Team-Connect; UK	AI phone answering for a dental surgery	Not published	Claimed
Dentalbase; US	AI receptionist for dental practices	Not published	Claimed

Signals and examples

Latest signals: Receptionist-only dental offers are saturating fast. Differentiate on case acceptance, recall and DCI-compliant marketing.

3.15 · Health and life sciences · Pharma & life sciences

9	3	3	High
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- PV listening
- UCPMP checks
- Chemist ordering

Who buys: Marketing head/brand manager; Sales Excellence; Medical affairs/PV; Compliance.

ID	Opening	Play	Time to value
PH-01	MLR-ready content factory (claims library, references, reviewer workflow)	Compliance	3–9 months
PH-02	Field-rep copilot (pre-call briefs, product Q&A within approved content)	Chat agents	3–9 months
PH-03	Pharmacovigilance listening (social, reviews, call transcripts flagged for AE) [less obvious]	Analytics	3–9 months
PH-04	HCP-portal SEO/AEO (disease-awareness, not brand promotion to the public)	AI search	0–3 months

ID	Opening	Play	Time to value
PH-05	UCPMP 2024 compliance checker for campaigns and events [less obvious]	Compliance	3–9 months
PH-06	Vernacular patient-support content (adherence, not promotion)	Creative	0–3 months
PH-07	Medical-affairs literature copilot	Chat agents	3–9 months
PH-08	Chemist/retailer WhatsApp ordering for OTC/generic brands [less obvious]	Chat agents	3–9 months
PH-09	Conference and CME content repurposing	Creative	0–3 months

Services and prices seen in the market

Observed prices: Not public; Indegene's scale is reported.

Seller	Offer	Price	Evidence
Klick Health (Guardrail); Canada / US	MLR 'checkpoint to input' model	Not public	Claimed
Indegene (Cortex); India	Commercialisation services for pharma	Not public	Claimed
Veeva (agentic MLR); US	Agentic AI in Vault PromoMats	Not public	Claimed
Clarkston Consulting; US	Consulting build	Not public	Claimed

Signals and examples

Latest signals: Almost absent on X. White space. Also: B2B pharma. BIOSECURE (law since Dec 2025; source could not be re-opened on 3 Nov 2026) pushes US sponsors toward Indian CDMOs/CROs. OpenAI released GPT-Rosalind-6 for biology to trusted users (30 Oct 2026).

- **ANU, Garvan Institute, Murdoch Children's Research Institute, Curtin University** (Australia): A$3m in Claude API credits for genomics, precision medicine, rare-disease diagnostics and data science. Announced; no outcomes yet Reported
- **OpenAI (GPT-Rosalind-6)** (US): Biology model released to trusted users only on 30 Oct 2026. It scores 49.6% on MedChemBench v7, against 28.9% for GPT-Rosalind-5.5, and OpenAI rates it High for biological and chemical risk, per its system card Claimed

3.16 · Property, industry and supply chain · Real estate

13	4	5	High
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Pre-launch RERA/ASCI compliance checks
- Channel-partner copilots
- Construction-progress updates
- NRI concierge
- Project AEO

Who buys: Developer CMO/VP Marketing; VP Sales/CRM; customer-service head; broker owners.

ID	Opening	Play	Time to value
RE-01	WhatsApp property concierge: discovery, brochure, price band, site-visit booking, reminders	Chat agents	3–9 months
RE-02	HNI/ultra-premium voice qualifier (polite, Hindi/English, handoff to senior sales)	Speed-to-lead	3–9 months
RE-03	RERA ad-compliance checker: scans every creative for RERA number and QR code, disclaimers, carpet-area claims and approved-amenity claims before launch [less obvious]	Compliance	3–9 months
RE-04	Project AEO/GEO: be the cited project in AI answers for locality and budget queries	AI search	0–3 months
RE-05	AI launch-creative factory (renders to reels, locality explainers, NRI versions), labelled where synthetic	Creative	0–3 months
RE-06	Channel-partner copilot: broker onboarding, inventory Q&A, instant brochure/cost sheet, brokerage status on WhatsApp [less obvious]	Chat agents	3–9 months
RE-07	Site-visit no-show reduction (reminders, directions, pickup offers)	Speed-to-lead	0–3 months
RE-08	Construction-progress updates to buyers (photo → narrated monthly update in buyer's language) [less obvious]	Creative	3–9 months
RE-09	Post-visit nurture + objection handling content sequences	Speed-to-lead	0–3 months
RE-10	NRI time-zone concierge (24/7 WhatsApp + voice for Gulf/US/UK buyers, FEMA FAQs, reviewed by humans) [less obvious]	Chat agents	3–9 months
RE-11	Broker listing toolkit (AI listing copy, staging with disclosure, Fair Housing-style bias scan for export markets)	Compliance	3–9 months
RE-12	Possession and snag-list bot plus facility Q&A for the society [less obvious]	Chat agents	3–9 months
RE-13	AI ISA for brokers (export: US/Canada/UAE)	Back-office	9–18+ months

Services and prices seen in the market

Observed prices: Listing tools $2–33; AI ISA: no stable public benchmark.

Seller	Offer	Price	Evidence
Sprio / DueDoor / Realto / Overton; India	Replies to 99acres/MagicBricks leads in seconds	Mostly not public	Claimed
Prestyj (AI ISA pricing); US	AI vs human ISA	No stable public benchmark (the cited page no longer shows figures)	Claimed
Listing tools: Fastlist / BuildMyListing / ListingKit; US	Per-room staging; per-listing packs; monthly listing copy tool	Fastlist $2/staged room; BuildMyListing $33/listing; ListingKit $29/mo	[published price]
@starmexxx (AI agents for real estate agents); US	Solo founder building agents for real estate agents	$5,000-10,000/month per client	Claimed
Kenlo LYA (via Wegile portfolio); Brazil	LYA agent qualifies property leads for Kenlo users	Not published	Unverified

Signals and examples

Latest signals: 1 in 5 buyers use AI for house hunting; top producers lose out in AI 'best agent' answers. Google's Business Agent for Leads is in beta in India (Jul 2026) and was tested globally for real estate. Set it up for developers.

3.17 · Property, industry and supply chain · Construction and building materials

13	5	5	High
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Dealer-network local AEO
- Specifier/architect content
- Dealer WhatsApp ordering and scheme bots
- Tender monitoring
- Materials after-sales bots

Who buys: CMO/Head of Brand; Head of Channel Sales; CFO; contractor owners; EPC project heads.

ID	Opening	Play	Time to value
CN-01	Dealer-network local visibility program for steel/cement/paint/tile brands (GBP, reviews, AI-answer presence for "TMT bar dealer near me")	AI search	0–3 months
CN-02	Contractor lead concierge (web + WhatsApp + voice): qualify scope, budget and timeline; give ranges, never binding quotes	Back-office	9–18+ months
CN-03	Quote-turnaround copilot for estimators (BOQ from drawings and site photos, rate-library lookup, draft quote)	Back-office	9–18+ months
CN-04	Architect/engineer influencer program with AI: spec-content, CPD-style explainers, BIM object libraries, AEO for "best waterproofing for terrace India" [less obvious]	AI search	0–3 months
CN-05	Dealer WhatsApp order + scheme-query bot (pic-to-cart, scheme balance, credit status) [less obvious]	Chat agents	3–9 months
CN-06	Dealer sales-coach agent (role-play objections, product-knowledge quizzes, in the dealer's language)	Chat agents	3–9 months
CN-07	Visualiser-led lead gen (upload a plot/room photo → AI render → capture lead) for pools, roofing, facades, modular kitchens	Speed-to-lead	0–3 months
CN-08	RFI/submittal/contract agents for mid-size EPC and real-estate contractors	Back-office	9–18+ months
CN-09	Tender and government-portal monitoring agent (GeM, CPPP, state portals) with bid/no-bid summaries [less obvious]	Back-office	9–18+ months
CN-10	Agentic AR/collections for materials makers (dealer overdue reminders, disputes, forecast of cash)	Agentic comm.	3–9 months
CN-11	Site progress to marketing content: turn daily site photos and logs into project case studies, reels and GBP posts (with client permission) [less obvious]	Creative	0–3 months
CN-12	Four-agent B2B prospecting + GEO for commercial contractors	AI search	0–3 months
CN-13	Warranty and after-sales bot for materials (waterproofing, paints, pipes): photo-based complaint triage, applicator dispatch [less obvious]	Chat agents	3–9 months

Services and prices seen in the market

Observed prices: Procore credit-based; Togal from $299/user/mo; stakk €5–50k/project.

Seller	Offer	Price	Evidence
BeatRoute / 1Channel / Sharpsell (building-materials dealer SFA); India	AI SFA, dealer apps, sales enablement for channel sales	Subscription (not disclosed)	Claimed

Seller	Offer	Price	Evidence
Kreo / Beam AI / OneEstimate; UK / US	SaaS (OneEstimate free plan)	Budget tiers; free plan (OneEstimate)	Secondary
Togal.AI; US	Per-user SaaS	From $299/user/mo (billed yearly)	[published price]
Procore (AI Digital Coworker plans); US	Starter flat fee (3 projects, 5 agents); Pro/Enterprise credits, 20 agents, Agent Studio	Starter flat fee; Pro/Enterprise credit-based (amounts not public)	[published price]
Canibuild (Barrier Reef Pools US dealers); US / Australia	Instant site plans/visuals for pool dealers' prospects	Subscription (not disclosed)	Claimed
Karmaflow (Ottawa General Contractors); Canada	Website/phone concierge qualifies renovation leads and gives price ranges	Not published	Claimed
Subduxion (European construction firm); Europe (country unverified)	Estimator copilot for quotes	Not published	Claimed
TunerLabs (Karnataka building-materials maker); India	Agents over ERP + WhatsApp dealer chats (confidential client)	Not published	Claimed

Signals and examples

Latest signals: Almost no X posts on building-materials dealer networks. That fits the India white space. Same playbook fits rooftop-solar OEM dealer networks (PM Surya Ghar: 50 lakh homes, 34k vendors).

3.18 · Property, industry and supply chain · Manufacturing (B2B)

9	3	3	High
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Spare-part vision
- CBAM documentation
- Export GEO

Who buys: MD/owner; VP Sales/Exports; Head of Service; CFO/ESG.

ID	Opening	Play	Time to value
MF-01	RFQ-to-quote copilot	Back-office	9–18+ months

ID	Opening	Play	Time to value
MF-02	Technical AEO/content engine (application notes, comparison pages, datasheets as structured data)	AI search	0–3 months
MF-03	Distributor WhatsApp ordering	Chat agents	3–9 months
MF-04	Spare-part identification from photos (after-sales) [less obvious]	Back-office	9–18+ months
MF-05	Trade-show lead follow-up automation	Speed-to-lead	0–3 months
MF-06	Export-market localisation (catalogues, sites in German/Japanese/Spanish with human QA) [less obvious]	Creative	0–3 months
MF-07	Service-manual copilot for field technicians	Chat agents	3–9 months
MF-08	ESG/CBAM documentation assistant for EU-bound exporters (steel, aluminium) [less obvious]	Back-office	9–18+ months
MF-09	LinkedIn ABM with AI personalisation	Back-office	9–18+ months

Services and prices seen in the market

Observed prices: €5–50k per project; simple builds €5–10k.

Seller	Offer	Price	Evidence
stakk.agency; Germany	KI-Automatisierung projects	€5,000-50,000 per project; simple €5-10k setup	Secondary
Synera (IMS Gear); Germany	Engineering RFQ agent	Not published	Claimed
Arna Softech; India	End-to-end RFQ automation	Not published	Claimed
Gupshup (Schneider Electric India "Koko 2.0"); India	Distributors/retailers photograph handwritten orders; OCR builds cart	Not published	Claimed
@jobsbygeorge (Harmony AI FDEs); US	FDEs living in US factories deploying AI on the floor	Not published	Claimed
@coreyganim (150-person manufacturer); n/a	Manufacturer with 6-person AI task force and 15 Claude Team seats	Not published	Claimed

Seller	Offer	Price	Evidence
@CRudinschi (Industrial AI Summit); n/a	Acciona chemical-dosing prediction	Not published	Claimed

Signals and examples

Latest signals: A 150-person manufacturer with 15 Claude Team seats wants roadmap + on-site enablement. CBAM certificate sales start Feb 2027. Specialty-chemicals and API exporters are a sister segment.

- **Sanctuary AI** (Canada): Phoenix general-purpose humanoid robot in commercial pilots. Hundreds of commercial pilot tasks completed (source could not be re-opened on 3 Nov 2026) Reported
- **BMW** (Germany): Engineering AI for crash simulations with Mistral. Partnership announced; no metrics Claimed
- **Stellantis** (France): AI in-car assistant, product development and manufacturing use cases with Mistral. No metrics published Claimed
- **ASML** (Netherlands): AI models across product portfolio, R&D and operations with Mistral. EUR 1.3bn investment, about 11% stake, seat on Mistral strategic committee (ASML's release could not be re-opened on 3 Nov 2026) Reported

3.19 · Property, industry and supply chain · Logistics

8	2	3	High
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Indian mid-size 3PL automation

Who buys: COO/Head of Ops; sales head for LO-05/07.

ID	Opening	Play	Time to value
LO-01	Email-to-quote automation for freight forwarders and 3PLs	Back-office	9–18+ months
LO-02	Order-entry extraction (email/PDF/WhatsApp to TMS)	Back-office	9–18+ months
LO-03	WISMO WhatsApp bot for regional couriers	Chat agents	3–9 months
LO-04	Driver-onboarding and training bot in regional languages [less obvious]	Training	3–9 months
LO-05	B2B logistics AEO ("cold-chain logistics Pune")	AI search	0–3 months

ID	Opening	Play	Time to value
LO-06	POD and freight-audit reconciliation [less obvious]	Back-office	9–18+ months
LO-07	Case-study and LinkedIn thought-leadership engine	Creative	0–3 months
LO-08	Customs-document pre-check for exporters [less obvious]	Compliance	3–9 months

Services and prices seen in the market

Seller	Offer	Price	Evidence
C.H. Robinson (in-house, LangChain); US	In-house agents	n/a (in-house)	Claimed
Drumkit; US	SaaS	Not published	Claimed
AXI Studio (freight broker client); n/a	Custom build	Not published	Claimed

Signals and examples

Uber and Wayve
(UK): Supervised autonomous ride-hailing in London using Wayve's AI driver, safety driver on board. Launched 3 September 2026 Reported

SNCF Group
(France): SNCF GPT secure assistant on Mistral; Mistral Vibe for developers. Over 100,000 employees have access Claimed

ADNOC
(UAE): AI for port operations. Vessel turnaround reduced by up to 90%; projected USD 1m savings by 2028 Claimed

Baidu Apollo Go
(China): Fully driverless robotaxi service. 11 mn fully driverless rides in 2025, +175% YoY (source could not be re-opened on 3 Nov 2026) Reported

3.20 · Property, industry and supply chain · Agriculture

8
AI openings mapped

3
quick wins (0–3 months)

3
less obvious plays

Medium to high
global relevance

Where the openings are

- Brand-safe advisory
- Agri-input AEO in Indian languages

Who buys: Marketing head/Head of Farmer Engagement at agri-input firms; agri-lender product head; FPO boards.

ID	Opening	Play	Time to value
AG-01	Agri-input brand voice/WhatsApp advisory (brand-safe, agronomist-reviewed)	Voice	3–9 months

ID	Opening	Play	Time to value
AG-02	Dealer/retailer WhatsApp ordering and scheme bot	Chat agents	3–9 months
AG-03	Vernacular farmer video content at scale (labelled synthetic voice) [less obvious]	Creative	0–3 months
AG-04	FPO/co-op member communication bot	Chat agents	3–9 months
AG-05	Agri-input AEO in Indian languages (farmers increasingly ask AI assistants) [less obvious]	AI search	0–3 months
AG-06	Satellite-plus-advisory bundles for agri lenders	Back-office	9–18+ months
AG-07	Dealer-meet and field-demo follow-up automation	Speed-to-lead	0–3 months
AG-08	Pest-photo triage for input companies' call centres [less obvious]	Voice	3–9 months

Services and prices seen in the market

Observed prices: KissanAI $0.06–0.10/call (~₹1.99L/mo for 50k conversations).

Seller	Offer	Price	Evidence
KissanAI (Dhenu); India	API + enterprise bundles	$0.06-0.10 per call; Dhenu Engage ~₹1.99L/mo for 50k conversations (third-party estimate, unverified)	Unverified
Farmonaut; India	Subscription tiers	From $4.99/mo (Mini) to $949.99/mo (Elite)	[published price]
Digital Green (FarmerChat V2); Kenya / Nigeria / Ethiopia / India	FarmerChat in 16 languages across 6 countries	Free to farmers (donor-funded)	Claimed
Kisan e-Mitra (PM-KISAN); India	Government chatbot	Not published	Reported
PaddyMitra (IRRI, Odisha pilot); India	Precision advisories	Not published	Claimed

Signals and examples

Latest signals: Gemini Live in 25 Indian languages makes vernacular AEO real for farmers.

3.21 · Knowledge, education and media · SaaS & B2B tech

8	4	3	Medium to high
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- MCP + AI-ready docs for Indian SaaS exporters

Who buys: VP Marketing/Demand Gen; CRO; CTO/Product.

ID	Opening	Play	Time to value
SA-01	B2B GEO program (be cited in "best X software" AI answers)	AI search	0–3 months
SA-02	Website AI SDR + routing	Speed-to-lead	0–3 months
SA-03	MCP server + "AI-ready docs" build so assistants can use the product [less obvious]	Agentic comm.	3–9 months
SA-04	Outbound with AI research + human QA (avoid the 50–70% AI-SDR churn trap, v3)	Analytics	0–3 months
SA-05	Support automation	Back-office	9–18+ months
SA-06	G2/Capterra review and comparison-page ops (AI assistants cite review sites) [less obvious]	Chat agents	3–9 months
SA-07	Product-led onboarding nudges	Speed-to-lead	3–9 months
SA-08	Developer-content engine (tutorials, code samples, verified by engineers) [less obvious]	Creative	0–3 months

Services and prices seen in the market

Seller	Offer	Price	Evidence
MCP server dev studios (AppMatic, Duskel, others); Global	Internal tool / production multi-tenant / regulated	$8-15K simple; $25-120K production; $250K+ regulated; $2.5-6K/mo maintenance	Secondary
Fikra API; Kenya	Usage-based	From $1	Reported
B2B outbound benchmark (39 offers); US	Email, LinkedIn, phone programmes; per-meeting tiers	$150/mo tool to $12-15K/mo; typical managed $1-6K/mo	Secondary

Seller	Offer	Price	Evidence
Intercom Fin; US / Ireland	Outcome-priced support agent	$0.99 per outcome	[published price]
@qurisage (Claude Code dev shop); n/a	Competes with full-service agencies on speed	$12,000-15,000 per project	Claimed
Indie Hackers launch: AI-native engineers on subscription; Global	Subscription dev team	Not published	Unverified
Qualified Piper (Greenhouse); US	AI SDR agent	Not published	Claimed
Qualified Piper (NextGen Healthcare); US	AI SDR agent	Not published	Claimed

Signals and examples

Latest signals: Anthropic, OpenAI and Google partner funds make 'AI-ready docs + MCP' a co-sell with platform credits.

- **Air AI Technologies** (US): Marketed 'conversational AI' to replace customer-service staff with earnings promises. FTC settlement: US$18m judgment (mostly suspended), US$50k paid, permanent ban on business-opportunity marketing Reported
- **Workado** (US): AI content detector advertised as 98% accurate. FTC found ~53% accuracy on general content; consent order bans unsubstantiated accuracy claims Reported
- **Synthesia customers (FTSE 100)** (UK): AI avatar video for training and comms. 70% of FTSE 100 are customers; >USD 100m annual recurring revenue Claimed
- **UK accounting practices (Xero survey)** (UK): AI for day-to-day accounting and bookkeeping tasks. Average 7.1 hours saved per week Claimed
- **Fin (formerly Intercom)** (Ireland): LLM-based AI agent resolving customer queries; Fin Apex 1.0 post-trained model (Mar 2026). Agreed acquisition by Salesforce for about USD 3.6bn (June 2026) Reported
- **ServiceNow** (US): Shares had their worst day in more than 14 years after weaker guidance in October 2026, as reported by StockTwits. Markets are repricing seat-based software Reported

3.22 · Knowledge, education and media · Legal

9	2	3	Medium to high
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- DPDP ops copilots
- AI-output citation verification
- Corporate-policy AEO

Who buys: Managing partner (firms); General Counsel (corporates).

ID	Opening	Play	Time to value
LG-01	Intake agent for PI/immigration/family firms (US/UK/Canada export)	Chat agents	3–9 months
LG-02	In-tenant contract-review copilot for Indian corporate legal teams	Back-office	9–18+ months
LG-03	Legal-department AEO for corporates (policy pages, T&Cs, privacy notices written so AI answers them correctly) [less obvious]	AI search	0–3 months
LG-04	Knowledge-content engine for law firms in India (bare-act explainers, judgment summaries; no solicitation)	Creative	0–3 months
LG-05	DPDP compliance-ops copilot (data maps, notice drafts, DSR handling) for SMEs [less obvious]	Compliance	3–9 months
LG-06	Litigation deadline and cause-list tracker (court websites into alerts)	Back-office	9–18+ months
LG-07	Client-update automation (matter status via WhatsApp/email)	Chat agents	3–9 months
LG-08	AI-output citation verifier (catches fabricated case law before filing) [less obvious]	Compliance	3–9 months
LG-09	Time-capture and billing-narrative assistant	Chat agents	3–9 months

Services and prices seen in the market

Observed prices: Smith.ai $150–500/mo; ZorAI $3,500 + $899/mo; intake $2.5–5k/mo.

Seller	Offer	Price	Evidence
Spellbook / goHeather / LegalOn; Canada / US	Word-based review and redlining	$49-99/mo tools; custom in-tenant builds $25-50K	Secondary
Retell AI agency playbook; US	Flat per agent, per outcome, usage + retainer	$297-997/mo typical client price; law-firm intake $2.5-5K/mo + per case	Claimed
Smith.ai; US	Per-call AI receptionist plans	Free 25 calls; $150/mo (75 calls); $500/mo (300 calls); humans from $300/mo	[published price]

Seller	Offer	Price	Evidence
@OpenAI (Astra for Law); US	"Astra for Law" for lawyers and legal-tech firms; 26 partner + 47 community legal plugins in ChatGPT (per post)	Not stated	Claimed
@Dexonfxf ("AI paralegal" for law firms); n/a	Client Q&A, doc organisation, drafting, follow-ups	$5,000 setup + $750/month support	Claimed
ZorAI; n/a	Pilot; setup + monthly tiers	$999 pilot; $3,500 setup + $899/mo; $5,000 setup + $1,499/mo	[published price]
Leeds PI firm (via ADAI newsletter); UK	After-hours intake agent	Not published	Claimed

Signals and examples

Latest signals: OpenAI 'Astra for Law' bundles legal plugins. AI-search referrals only 0.47% of law-firm sessions.

3.23 · Knowledge, education and media · Recruiting & HR

8	3	3	High
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Careers AEO
- Frontline onboarding

Who buys: CHRO/TA head; employer-brand lead.

ID	Opening	Play	Time to value
HR-01	Employer-brand content + AmbitionBox/Glassdoor ORM	AI search	0–3 months
HR-02	Blue-collar voice screening in Indian languages	Voice	3–9 months
HR-03	Interview scheduling and no-show reduction	Speed-to-lead	3–9 months
HR-04	Careers-page AEO ("is X a good company to work for") [less obvious]	AI search	0–3 months
HR-05	HR helpdesk copilot	Chat agents	3–9 months

ID	Opening	Play	Time to value
HR-06	Frontline onboarding on WhatsApp (Treebo pattern) [less obvious]	Training	3–9 months
HR-07	Campus-hiring campaign automation	Speed-to-lead	0–3 months
HR-08	AI-interview bias and consent audit (NYC LL144-style audits for exporters) [less obvious]	Analytics	3–9 months

Services and prices seen in the market

Seller	Offer	Price	Evidence
Jobdrive; India	Screening tiers	₹4,999/mo tier	[published price]
Edesy; India	Usage-based voice screening	From $0.04/min	[published price]
Pin / SeekOut / Raffi / GoPerfect; US	SaaS; some AI recruiting agency hybrids	$100-600/mo; $250-300 per role	Secondary
Naukri / Info Edge ("AI-Rex"); India	Agentic recruiting for enterprise customers	Not published	Claimed
ConverzAI (Integrity Staffing); US	AI recruiter	Not published	Claimed
Classet; US	Screening + scheduling	Hiring Hub from $249/mo (annual) or $349/mo; ATS Sync from $1,995/mo	[published price]
@InstantlyAI (AI Recruiting Agent); US	JD → approve candidates → agent outreach, for teams or agency clients	Not published	Claimed
@CodeByPoonam (LinkedIn Hiring Assistant); n/a	Breakdown of LinkedIn Hiring Assistant replacing juggling of ATS/CRM/sourcing tools (X post could not be re-opened on 3 Nov 2026)	Not published	Claimed

Signals and examples

Latest signals: LinkedIn Hiring Assistant and Instantly's recruiting agent pull sourcing into platforms. HR/L&D is a new budget owner for AI video training. GCCs need employer brand.

- **CENIA (Hazlo con IA)** (Chile): Free generative AI training for micro and small businesses. 68,000 training places (Aug 2025) Reported

3.24 · Knowledge, education and media · Education & edtech

8	3	3	High
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Parent-facing bots
- Programme-page GEO
- Vernacular faculty tools

Who buys: Admissions director/CMO; dean/CIO.

ID	Opening	Play	Time to value
ED-01	Admissions AEO + counselling bot	AI search	0–3 months
ED-02	Counselling-call speed-to-lead (within the TRAI 7-day enquiry window)	Speed-to-lead	3–9 months
ED-03	Parent-facing WhatsApp explainer (fees, hostel, safety FAQs in regional languages) [less obvious]	Chat agents	3–9 months
ED-04	AI grading/feedback pilots	Back-office	9–18+ months
ED-05	Program-page GEO rebuild (structured outcomes, fees, placement data that AI can cite) [less obvious]	AI search	0–3 months
ED-06	Student early-warning and retention	Back-office	9–18+ months
ED-07	Placement-report content engine	Creative	0–3 months
ED-08	Faculty copilot for course material in Indian languages [less obvious]	Chat agents	3–9 months

Services and prices seen in the market

Observed prices: India edtech bot builds ₹3–15L; run cost ₹6–12/min.

Seller	Offer	Price	Evidence
Agentnity / Mio / Haptik; India	Qualification, counsellor handoff, fee reminders	Builds ₹3-15L; ₹6-12/min run cost (benchmark)	Secondary
Tenori Labs (Alliance University); India	Admissions calling	Not published	Claimed

Seller	Offer	Price	Evidence
Tenori Labs (KL University); India	Counselling show-ups	Not published	Claimed
LeadSquared; India	CRM-native agents	Not public	Claimed
PhysicsWallah ("AI Guru", in-house); India	AI Guru with human-in-the-loop escalation on thumbs-down	Not published	Claimed
University of the Punjab (admission chatbot); Pakistan	In-house/launch	Not published	Claimed

Signals and examples

Latest signals: India has more ChatGPT student users than any country (OpenAI's claim; source could not be re-opened on 3 Nov 2026). Google's Business Agent for Leads is in India beta and was tested for education.

- **University of Groningen** (Netherlands): Mistral AI for repetitive rule-based admin and research tasks with data kept on own infrastructure. No metrics published Claimed
- **Tokyo Online University** (Japan): Selected NTT tsuzumi 2 for planned course Q&A, teaching materials, exam support and study guidance. Deployment announced; no outcome metrics Claimed
- **AI tutoring programme in Nigeria (World Bank-cited RCT)** (Nigeria): AI tutoring for students. Learning gains equivalent to nearly two years of typical learning in six weeks (World Bank, Jan 2025) Reported

3.25 · Knowledge, education and media · Coaching, creators and courses

12	6	4	Medium
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Institute AEO in India
- Compliance scrubbing of coaching claims
- Teacher-agent licensing
- Churn rescue
- Indian-language setters inside the TRAI 7-day window

Who buys: Founder of solo/small coaching business (fast, churns); CMO of institutes; academic head/CTO.

ID	Opening	Play	Time to value
CO-01	Content repurposing engine for coaches (long-form → reels, carousels, newsletters, in Hindi + English)	Creative	0–3 months
CO-02	AI DM setter for Instagram/WhatsApp that qualifies and books calls, with a human closer	Speed-to-lead	0–3 months
CO-03	"Digital mind" / coach clone for paid members (between-session Q&A, grounded only on the coach's content)	Creative	0–3 months
CO-04	Webinar-funnel CRO pack (AI-written variants, show-up reminders, post-webinar sequences)	Speed-to-lead	0–3 months
CO-05	Institute/coaching-centre AEO: win AI answers for "best NEET coaching in Kota", "IELTS coaching near me" [less obvious]	AI search	0–3 months
CO-06	Teacher-agent licensing for coaching institutes: package each star teacher's method as a tutor agent with human escalation [less obvious]	Chat agents	3–9 months
CO-07	AI grading and feedback for written answers (UPSC mains, CA, language tests)	Back-office	9–18+ months
CO-08	Testimonial and claims compliance scrubber: check that income/result claims, "guaranteed selection" language and synthetic avatars meet ASCI/CCPA rules [less obvious]	Compliance	3–9 months
CO-09	Community copilot (Skool/Discord/Telegram/WhatsApp groups): answers, digests, moderation	Chat agents	3–9 months
CO-10	Multilingual dubbing and lip-sync to open new language markets (Tamil, Telugu, Bengali)	Creative	0–3 months
CO-11	Cohort churn predictor + rescue nudges (engagement signals → WhatsApp coach check-in) [less obvious]	Speed-to-lead	3–9 months
CO-12	Creator-platform implementation partner (TagMango/Exly/Graphy AI features set up and run for mid-size creators)	Back-office	9–18+ months

Services and prices seen in the market

Observed prices: Delphi from $5k/yr; AI setters: no stable public benchmark.

Seller	Offer	Price	Evidence
TagMango (Mango AI, Mango Studio); India	AI tools for course creators launched Aug 2026	Mango AI in Ultimate plan (Rs35,000+GST/mo) or AI-Verse Stack add-on Rs49,999+GST/yr	[published price]
Delphi; US	Scaler / Scaler + API / Immortal	$5k/yr; $10k/yr; custom	[published price]

Seller	Offer	Price	Evidence
Delphi (Matthew Hussey); US	Always-on "digital mind" trained on coach content	Not disclosed in case	Claimed
AI appointment-setter pricing (Prestyj guide); US	Cost-per-appointment pricing guide	Price ranges vary widely by vendor (no stable public benchmark)	Secondary
BuddyPro (via David Riha comparison); n/a	Annual license + usage	~$2,364/yr license + AI usage (third-party; comparison is seller-affiliated, unverified)	Unverified
@Kamil_Svetra (n8n for coaches and agents); France (unverified)	Reminders, doc sending, follow-ups, sheet updates; keep human conversations	Not published	Claimed
Delphi (Jaden Bales); US	Clone answers client questions	Not published	Unverified
@lukepierceops (coaching AI-agency founders); n/a	7 calls/day with people starting/growing AI agencies; "first $10K/month" content	Not published	Claimed

Signals and examples

Latest signals: A big info-product market sells 'start an AI agency'. Competition for attention, not a buyer. CCPA fined PhysicsWallah and others for dark patterns (Aug 2026). The claims scrubber just got a reason to buy.

3.26 · Knowledge, education and media · Media & publishing

8	5	3	Medium
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- White-label AI-visibility products
- Labelling compliance

Who buys: CEO/Chief Digital Officer; revenue head.

ID	Opening	Play	Time to value
MD-01	Publisher GEO and AI-referral analytics	AI search	0–3 months
MD-02	"AI visibility" product that publishers resell to advertisers (white-label AEO audits) [less obvious]	AI search	0–3 months

ID	Opening	Play	Time to value
MD-03	Vernacular versioning and dubbing pipeline	Creative	3–9 months
MD-04	AI-bot licensing and blocking setup	Chat agents	3–9 months
MD-05	Hyperlocal AI-assisted newsletter network (human-edited) [less obvious]	Creative	0–3 months
MD-06	Archive-to-evergreen content refresh	Creative	0–3 months
MD-07	Synthetic-content labelling compliance (IT Rules 2026, ASCI)	Compliance	3–9 months
MD-08	B2B trade-publication lead-gen products (AI-qualified event and webinar leads) [less obvious]	Speed-to-lead	0–3 months

Services and prices seen in the market

Seller	Offer	Price	Evidence
TollBit; US	Bot monitoring + pay-per-crawl	Usage-based (not captured)	Claimed
Future plc (Future Optic); UK	Future Optic GEO	Not public	Claimed
Ziff Davis (AI visibility services); US	Revenue from clients improving AI visibility	Not public	Claimed
Axios (Axios Direct); US	Agent-era content feeds	Not public	Reported
Bushwick Daily (AI local newsroom, Alec Meeker); US	Monitoring, structuring, verification, human approval	Not published	Claimed

Signals and examples

- **Conductor (GEO platform) and clients incl. BlackRock, TD Bank** (US): Generative engine optimisation (AI-search visibility) platform. 50+ new enterprise logos in Q3 2025; >125% net revenue retention Claimed
- **QCRI / HBKU** (Qatar): Fanar models on IslamWeb and IslamOnline. Processed 'millions of queries' Claimed
- **Tencent** (China): AI ad-recommendation model and AIM+ automated campaign management in Weixin. Marketing services revenue RMB 43.6 bn in Q2 2026, +22% YoY Reported
- **Baidu** (China): AI-native marketing services. RMB 9.8 bn revenue in 2025 (+301%); flat YoY at RMB 2.6 bn in Q2 2026 (company results) Claimed
- **Televisa (izzi, Sky)** (Mexico): AI to replace human call centres. Announced Mar 2026 Reported

- **UK CMA and Meta** (UK): On 30 Oct 2026 the CMA opened a Competition Act case into whether Meta's commercial terms for businesses, abuse a dominant position. Initial information gathering runs to January 2027 (indicative) Reported
- **Google and OpenAI** (Global): On 30 Oct 2026 both backed a shared robots.txt signal that lets sites opt out of AI training separately from search. Google plans to support it in 2027 and OpenAI 'in the coming months' Claimed

3.27 · Public and social sector · Government & public sector

8	3	3	High
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- Citizen content ops
- Tourism GEO

Who buys: Department secretary/CIO via GeM tenders; state IT departments; tourism boards.

ID	Opening	Play	Time to value
GV-01	Scheme-awareness chat/voice in Indian languages (BHASHINI-based)	Voice	3–9 months
GV-02	Grievance triage and routing	Back-office	9–18+ months
GV-03	Citizen-comms content ops (circulars → simple multilingual explainers and reels) [less obvious]	Creative	0–3 months
GV-04	Document/eligibility automation for departments	Back-office	9–18+ months
GV-05	Citation-verified report drafting [less obvious]	Compliance	3–9 months
GV-06	Tourism-board GEO (state destination content cited by AI)	AI search	0–3 months
GV-07	Municipal voice line (property tax, water complaints)	Voice	3–9 months
GV-08	Misinformation and deepfake monitoring for departments [less obvious]	Analytics	0–3 months

Services and prices seen in the market

Observed prices: UK programmes £540k–5M.

Seller	Offer	Price	Evidence
Deloitte Australia (AI-assisted report refund); Australia	Government report	A$440K report; partial refund	Reported
BHASHINI (MeitY); India	Language AI for government sites and apps	Free / DPI	Unverified
ICS.AI (Renfrewshire Council); UK	3-year AI transformation programme	£5m+ programme	Claimed
ICS.AI (Pembrokeshire County Council); UK	4-year agreement	Up to £4.95m	Reported
ICS.AI (Ipswich Borough Council); UK	Contract award	£540,762	Reported
Korvax AI / Bilytica / Lucidya / Mozn; Saudi Arabia	Sovereign/Arabic AI with SDAIA/NDMO compliance and data residency	Not public	Secondary
Bristol City Council (ICS.AI); UK	760,000 calls / 120 advisors context	Not published	Claimed
Westminster City Council (Microsoft); UK	Azure OpenAI assistant	Not published	Claimed

Signals and examples

Latest signals: BHASHINI now serves 36 text and 23 voice languages (Jun 2026).

- **UK Government (fraud)** (UK): New AI fraud-risk tools. 80% reduction in time to spot fraud risks Claimed
- **UK local government (Minute AI scribe)** (UK): AI meeting/case note scribe. Scaled to 1,000 officials across 22 local authorities Reported
- **France Travail** (France): LLM summaries of job-seeker profiles; internal RAG chatbot on labour law and allocation rules. No metrics published Claimed
- **Abu Dhabi Department of Government Enablement** (UAE): AI across government services on the TAMM platform. 100+ AI use cases live; target AI-native government by 2027 Reported
- **UAE Cabinet (Regulatory Intelligence Office)** (UAE): AI system to track law impact and propose legal updates. Up to 70% faster law-making expected (the WAM release could not be re-opened on 3 Nov 2026) Claimed

3.28 · Public and social sector · Nonprofits

8	2	3	Low to medium
AI openings mapped	quick wins (0–3 months)	less obvious plays	global relevance

Where the openings are

- CSR tooling in India

Who buys: Executive director/fundraising head; corporate CSR head.

ID	Opening	Play	Time to value
NP-01	Donor-propensity appeals	Analytics	0–3 months
NP-02	CSR-proposal and impact-report copilot for Indian NGOs (Schedule VII mapping) [less obvious]	Chat agents	3–9 months
NP-03	Impact storytelling content engine (consented beneficiary stories)	Creative	0–3 months
NP-04	Donor WhatsApp stewardship (80G receipts, updates)	Chat agents	3–9 months
NP-05	Corporate-CSR matchmaking: company CSR teams find vetted NGOs with AI screening [less obvious]	Back-office	9–18+ months
NP-06	Beneficiary helpline bot in local languages	Chat agents	3–9 months
NP-07	Grant-application drafting with human review	Back-office	9–18+ months
NP-08	Volunteer-matching and scheduling assistant [less obvious]	Chat agents	3–9 months

Services and prices seen in the market

Seller	Offer	Price	Evidence
Dataro (Scleroderma & Raynaud's UK); Australia	Donor propensity scoring	Not published	Claimed
Dataro (East Cheshire Hospice); Australia	Appeal targeting	Not published	Claimed
Dataro (Leprosy Mission NZ); Australia	Annual appeal optimisation	Not published	Claimed

Part 4

The rules: *labels first, duties later*

How 46 countries and blocs regulate AI, what took effect in 2026, every date that matters to the end of 2027, and the rules on AI in marketing.

Five ways countries regulate AI

What changed in 2026

The calendar: October 2026 to 2028

AI in marketing and advertising: the rules

Country by country: models, laws and data rules

What to do: a 2026–27 checklist

4.1 · Five ways countries regulate AI

There is no single global approach to AI rules. *But almost every system converges on the same first duty: tell people when AI is involved.*

Exhibit 4.1: How AI is regulated: the main model in each covered country, October 2026

Source: Country chapters in Part 2; all 27 EU member states apply the EU AI Act. Classification by the author based on binding rules in force on 1 October 2026.

Model	Countries in this report
Comprehensive AI law in force; A horizontal, risk-based AI law with binding duties and fines.	EU (27 states), South Korea, Vietnam
Framework or promotion law; A national AI law that sets up governance and promotion, with few hard duties or fines.	Japan, Taiwan
Targeted binding rules; No single AI act, but binding rules on specific issues: labelling, deepfakes, automated decisions, frontier models, state laws.	China, India, US
Existing law and sector regulators; Privacy, consumer, competition and sector regulators apply existing law to AI, plus guidance.	UK, Australia, New Zealand, Singapore, Hong Kong, UAE, Saudi Arabia, Brazil, Mexico, Colombia, Nigeria, Kenya, Morocco, Israel, Turkey
Guidance only; Voluntary principles and strategies. "Law in drafting": a dedicated AI law is being drafted or debated. "No AI bill yet": none has been tabled.	Law in drafting: Pakistan, Bangladesh, Sri Lanka, Indonesia, Malaysia, Thailand, Philippines, Argentina, Chile, Egypt. No AI bill yet: Canada, Qatar, South Africa

Three patterns stand out. First, the EU has a horizontal, risk-based AI law in force, as South Korea and Vietnam now do, and even the EU has delayed the heaviest duties. Second, Asia is splitting: Korea and Vietnam passed binding AI laws, Japan and Taiwan chose promotion laws, while China regulates technology by technology. Third, most of the world, from the UK and the Gulf to Singapore and Brazil, relies on existing law and sector regulators, with a dedicated AI law still in the drafting stage.

4.2 · What changed in 2026

Main AI-related rules and guidance that took effect between January and September 2026 in the countries covered (binding unless marked as guidance, voluntary or not yet in force).

2026	Where	Rule and what it means
1 Jan	Canada	**Ontario Working for Workers Four Act (AI disclosure in job postings)**; Employers with 25+ employees must disclose in public job postings if AI is used to screen, assess or select applicants.

2026	Where	Rule and what it means
1 Jan	China	**Cybersecurity Law (2025 amendment)**; Adds an AI article (innovation support, risk monitoring, ethics); raises maximum fines to RMB 10 mn for critical infrastructure operators whose violations have exceptionally severe consequences; wider extraterritorial reach.
1 Jan	Finland	**Law 1377/2025 on the supervision of certain AI systems**; Decentralised supervision by existing authorities; Traficom is single point of contact; four notifying authorities.
1 Jan	US	**California CCPA regulations on automated decisionmaking technology (ADMT), risk assessments, cybersecurity audits**; The regulations on ADMT, risk assessments and cybersecurity audits take effect; risk-assessment duties start now, while ADMT notice, opt-out and access duties apply from 1 Jan 2027. The 2028–2030 dates are for risk-assessment filings and cybersecurity audits.
1 Jan	US	**California SB 243 (companion chatbots) and AB 2013 (training-data transparency)**; Chatbot disclosure and safety protocols incl. minor protections; genAI developers must disclose high-level training data information.
1 Jan	US	**California SB 53, Transparency in Frontier AI Act**; Frontier developers (>10^26 FLOPs; full duties at US$500m+ revenue) must publish frontier AI frameworks and report critical safety incidents. Affects model providers, not most deployers.
1 Jan	US	**Illinois HB 3773 (Human Rights Act amendment)**; Employers must notify applicants/employees when AI is used in employment decisions; discriminatory AI use and zip codes as proxies for protected classes prohibited.
1 Jan	US	**Texas Responsible AI Governance Act (TRAIGA, HB 149)**; Bans AI intended for listed harms (self-harm incitement, unlawful discrimination, CSAM etc.); AG enforcement with penalties up to US$200,000 per violation; 36-month regulatory sandbox.
1 Jan	Vietnam	**Law on Personal Data Protection No. 91/2025/QH15**; With Decree 356/2025/ND-CP, sets consent, cross-border transfer and impact-assessment duties that touch AI training and targeting.
1 Jan	Vietnam	**Law on Digital Technology Industry No. 71/2025/QH15**; Incentives for digital tech firms (ITA cites 150% R&D deduction and 5-year PIT exemption for AI experts). Its AI chapter was repealed and replaced by the AI Law (Art. 33).
12 Jan	Brazil	**CADE preventive measure on WhatsApp Business AI terms**; Meta cannot apply new terms that would exclude rival AI chatbot providers from WhatsApp Business in Brazil while the inquiry runs.
22 Jan	Singapore	**Model AI Governance Framework for Agentic AI (IMDA)**; Four dimensions: bound agent risk up front, keep human accountability, apply technical controls across the lifecycle, and inform and train end users.
22 Jan	South Korea	**Framework Act on the Development of AI and Establishment of a Foundation for Trust (AI Basic Act)**; A horizontal AI law with binding duties and fines. Fines are deferred for at least a year.

2026	Where	Rule and what it means
5 Feb	UK	**Data (Use and Access) Act 2025**; Section 80 replaces UK GDPR Article 22, making solely automated decisions easier outside special-category data (safeguards remain).
20 Feb	India	**IT (Intermediary Guidelines and Digital Media Ethics Code) Amendment Rules, 2026 (synthetically generated information)**; AI-generated audio/video must be prominently labelled with permanent metadata; significant social media intermediaries (50 lakh+ users) must collect user declarations and verify.
23 Feb	UAE	**CBUAE Guidance Note on Consumer Protection and Responsible Adoption and Use of AI and Machine Learning**; All CBUAE-licensed financial institutions must provide transparency/explainability of AI-driven decisions, human oversight, fairness and data governance.
1 Mar	Vietnam	**Law on Artificial Intelligence No. 134/2025/QH15**; Providers self-classify systems as high, medium or low risk and notify medium/high-risk systems to the Ministry of Science and Technology.
5 Mar	Hong Kong	**HKMA GenAI Sandbox expanded to cross-sector 'GenA.I. Sandbox++'**; Launched by the HKMA and other financial regulators on 5 Mar 2026. Banks, securities, wealth management, insurance and MPF firms can test GenAI use cases with regulator oversight.
14 Mar	Egypt	**Guide to Egypt's National AI Governance Framework**; Umbrella of national AI governance instruments prepared by the Egyptian Center for Responsible AI; non-binding.
8 May	China	**Implementation Opinions on the Standardised Application and Innovative Development of Intelligent Agents (CAC, NDRC, MIIT)**; 19 priority agent scenarios; developers must define user-only, user-authorised and autonomous decision boundaries; users keep final decision power; sensitive sectors face filing and testing.
14 May	Mexico	**Reform to Federal Copyright Law and Federal Labour Law on AI cloning of voice and image**; Consent needed to use performers' and voice actors' image/voice with AI; penalties up to 40,000 days of minimum wage; ordinary people's likeness not covered.
19 May	US	**TAKE IT DOWN Act (Public Law 119-12)**; Criminalises non-consensual intimate imagery incl. AI deepfakes; platforms must remove within 48 hours of notice.
3 Jun	UK	**Digital Markets, Competition and Consumers Act 2024 (digital markets regime)**; CMA can impose conduct rules on Google search including AI Overviews and AI Mode (Gemini app excluded).
10 Jun	EU	**Code of Practice on Transparency of AI-generated Content (Article 50)**; Voluntary route to show Article 50 compliance: machine-readable marking for providers, disclosure of deepfakes and AI text on public-interest matters for deployers, EU icons for labels.
1 Jul	Vietnam	**Law on E-commerce**; Livestream sellers cannot give misleading claims; platforms must stop violating livestreams at once; foreign platforms need a local entity or representative.
1 Jul	Vietnam	**Law on High Technology No. 133/2025/QH15**; Customs and investment support for high-tech projects, explicitly including AI data-centre construction.

2026	Where	Rule and what it means
15 Jul	China	**Interim Measures for Anthropomorphic AI Interaction Services (CAC, NDRC, MIIT, MPS, SAMR)**; AI companions, digital characters and emotional chatbots must show a constant AI notice, send reminders after 2 hours, get guardian consent for under-14s, bar 'virtual intimate' services for minors and obtain opt-in consent to train on interaction data.
16 Jul	EU	**Digital Markets Act (DMA)**; Google must give rival AI assistants equal access to Android features and share search data with rival search engines, which can include AI assistants. Opens distribution for non-Google assistants.
21 Jul	Ireland	**Regulation of Artificial Intelligence Act 2026**; Creates the AI Office of Ireland (CEO Paul Byrne) as single point of contact, central technical expertise and host of a national AI regulatory sandbox.
27 Jul	EU	**AI Omnibus, Regulation (EU) 2026/1744 (Digital Omnibus on AI)**; Annex III high-risk duties moved to 2 Dec 2027 and Annex I (product-embedded) to 2 Aug 2028. Four-month watermarking grace (to 2 Dec 2026) only for systems on the market before 2 Aug 2026.
29 Jul	Germany	**KI-MIG, the act implementing the AI Regulation (BGBl. 2026 I Nr. 223)**; Enacted on 22 Jul 2026 and in force since 29 Jul 2026. The government's bill made the Bundesnetzagentur the central market-surveillance authority for the AI Act.
2 Aug	EU	**AI Act, Regulation (EU) 2024/1689**; Risk-based rules. From 2 Aug 2026 chatbots must disclose they are AI, deepfakes must be labelled and AI-generated content must carry machine-readable marks.
2 Aug	EU	**Enforcement of general-purpose AI model obligations begins**; The obligations applied from 2 Aug 2025. The voluntary GPAI Code of Practice (10 Jul 2025) has transparency, copyright and safety chapters; buyers can ask vendors whether they signed.
2 Aug	France	**EU AI Act (directly applicable)**; Same EU duties; firms already regulated in a sector deal with their existing regulator for AI.
2 Aug	Ireland	**EU AI Act (Regulation (EU) 2024/1689) as amended by the Digital Omnibus on AI**; Risk-based duties. Omnibus pushed high-risk rules to Dec 2027/Aug 2028; transparency rules from Aug 2026, with Article 50(2) marking of synthetic content due by 2 Dec 2026 for systems already on the market before 2 Aug 2026.
2 Aug	US	**California SB 942 / AB 853, AI Transparency Act**; From 30 Sep 2026, SB 1000 replaces AI-content detection tools with disclosure verification and revises latent-disclosure, privacy and licensee-response duties.
31 Aug	EU	**Digital Services Act (DSA)**; ChatGPT designated a Very Large Online Search Engine; systemic-risk, audit and transparency duties apply from January 2027. Expect more scrutiny of how AI answers rank and cite sources.
15 Sep	Brazil	**Lei 15.504/2026 (Redata, data-centre tax regime)**; 5-year suspension of import tax, IPI, PIS/Cofins on DC IT equipment if >=10% capacity serves domestic market, renewable power, WUE <=0.05 L/kWh, 2% R&D; tax cost R$5.2bn in 2026. Signed into law on 15 Sep 2026; the regime still awaits its implementing rules.

2026	Where	Rule and what it means
30 Sep	Italy	**Legislative Decree 160/2026**; Aligns national law with the AI Act for police use of AI and civil and criminal liability (Gazzetta Ufficiale n. 214, 15 Sep 2026).

That is 39 entries in nine months; about 30 are binding rules newly in effect. The rest are guidance, voluntary codes, a sandbox, a law not yet in force and two rows that repeat the EU AI Act date for France and Ireland. The common thread: labelling of AI-generated content, disclosure of chatbots and automated decisions, and data protection. Heavy obligations for high-risk systems mostly lie ahead.

4.3 · The calendar: October 2026 to 2028

Main forward dates for rules and compliance from the country research. Dates are as published by governments and regulators; many will move. Check the latest official text before acting. Rows dated 12 to 30 October 2026 and the 27 November TRAI deadline were added or updated on 2 November 2026. Rows based only on press reports name the outlet that reported them.

When	Where	What happens
Q4 2026		
14 Oct 2026	**EU**	First harmonised AI Act standard, EN 18286:2026 on quality management systems for AI Act regulatory purposes, became applicable following publication of Implementing Decision (EU) 2026/2274, as reported by Digital Policy Alert. It is the first route to a presumption of conformity for high-risk quality-management duties
23 Oct 2026	**Italy**	Legislative Decree 179/2026 (powers of the national AI authorities) in force
26 Oct 2026	**US**	Colorado AG rulemaking hearing and comment deadline for SB 26-189 rules, on a revised draft of 6 Oct, as reported by the Cloud Security Alliance. No final rules seen by 2 Nov
26 Oct 2026	**Chile**	Senate Future Challenges Committee approved the AI bill in general and referred it to the chamber
28 Oct 2026	**India**	Bihar cabinet approves the State AI Policy 2026, as reported by UNI
28 Oct 2026	**Poland**	Act on AI Systems of 3 Jul 2026 (Dz.U. 2026 poz. 1003): Articles 8-18 and Chapters 3-5, 8 and 9 in force (the rest since 11 Aug 2026)
30 Oct 2026	**UK**	CMA opens a Competition Act case into Meta's commercial terms for businesses
30 Oct 2026	**India**	TRAI issues draft guidelines on responsible AI in telecom services

When	Where	What happens
13 Nov 2026	**India**	DPDP: Consent Manager registration provisions commence (and proposed, not notified, SDF deadline)
27 Nov 2026	**India**	Comments due on TRAI's draft guidelines on responsible AI in telecoms, as reported by Digit
Nov 2026	**ASEAN**	Digital Economy Framework Agreement (DEFA) targeted for signing at the 49th ASEAN Summit
2026 Q4	**Argentina**	Super RIGI: Senate committee report still pending (none on 2 Sep 2026; 10 Sep session dropped)
2 Dec 2026	**EU**	End of watermarking grace period for AI systems placed on the market before 2 Aug 2026; ban on AI nudification and CSAM generators applies
10 Dec 2026	**Australia**	Privacy Act automated decision-making transparency obligations commence; Children's Online Privacy Code registration deadline
Dec 2026	**Brazil**	ANPD AI regulatory sandbox pilot ends
Dec 2026	**EU**	Data omnibus (GDPR/ePrivacy changes) earliest expected adoption window, not before late 2026
Dec 2026	**Malaysia**	Target to complete drafting of the AI Governance Bill
Q1 2027		
1 Jan 2027	**Sri Lanka**	PDPA core obligations under Parts I and III commence (Gazette 2498/16 of 22 Jul 2026)
1 Jan 2027	**US**	Colorado SB 26-189 and New York RAISE Act take effect; CCPA ADMT compliance begins
Jan 2027	**EU**	ChatGPT must meet DSA VLOSE obligations (four months after designation)
Jan 2027	**South Korea**	Earliest end of the at-least-one-year grace period on AI Basic Act fines (korea.kr, 21 Jan 2026; Shin & Kim, Feb 2026)
2027 early	**Australia**	Australian Standards for AI legislation expected
Mar 2027	**Vietnam**	12-month transition for existing AI systems ends (general sectors), per AI Law transition rules

When	Where	What happens
31 Mar 2027	**Nigeria**	Annual NDPA Compliance Audit Returns due (data controllers of major importance; extra-high and ultra-high levels established before 12 June 2023 file through a DPCO; later ones first file within 15 months)
Q2 2027		
13 May 2027	**India**	DPDP main obligations for all Data Fiduciaries: computed commencement, pending official confirmation
Q3 2027		
2 Aug 2027	**EU**	Each member state should have at least one AI regulatory sandbox; GPAI models placed on the market before 2 Aug 2025 must comply
2 Aug 2027	**Ireland**	Pre-Aug-2025 GPAI models must comply; national AI regulatory sandboxes must be operational
Sep 2027	**Vietnam**	18-month transition ends for AI systems in healthcare, education and finance
Q4 2027		
2 Dec 2027	**EU**	Annex III high-risk AI obligations apply (biometrics, critical infrastructure, education, employment, credit, migration)
2 Dec 2027	**Germany**	Annex III high-risk obligations start
2028		
1 Apr 2028	**US**	First CCPA risk-assessment attestations due
2 Aug 2028	**EU**	High-risk AI embedded in regulated products (Annex I) must comply

4.4 · AI in marketing and advertising: the rules

For marketers, AI rules arrive through three doors: *labelling of synthetic content, truth in advertising, and consent for personal data.*

- **Labelling.** The EU (Article 50), China, India, Vietnam, South Korea and several US states now require AI-generated or synthetic content to be marked, visibly or in metadata. Advertising self-regulators, such as India's ASCI, are adding their own rules.
- **Truth in advertising.** Consumer regulators treat AI claims like any other claim. The US FTC has pursued "AI washing" and fake-review cases; others use existing unfair-practice law.

- **Consent and profiling.** Data-protection laws govern AI-driven targeting, automated decisions and chatbot data. New automated-decision rules land in California, Australia and India in 2026–27.
- **Chatbots and voice.** Disclosure that a customer is talking to AI is becoming standard, with extra duties for companion chatbots and for calls to consumers.

Country	Rules that touch AI in marketing (summary)
US	FTC Section 5 deception/unfairness: AI performance, accuracy and earnings claims need substantiation (Operation AI Comply since Sep 2024; Workado Apr 2025; Air AI settled Mar 2026); FTC proposed AI accuracy/output-steering policy statement (Jul 2026).
Canada	Competition Act deceptive-marketing provisions apply to AI claims; CASL for commercial electronic messages; Quebec Law 25 profiling and automated-decision transparency; Ad Standards Canada code; FPT privacy principles for generative AI (Dec 2023)
UK	ASA/CAP Code applies 'regardless of how the ad was created'; advertisers stay responsible for AI-generated or automated ads; AI imagery that exaggerates product efficacy can mislead (ASA, 31 Aug 2023).
Ireland	EU AI Act Article 50 transparency: disclosure of AI interaction and deepfakes, machine-readable marking of synthetic content (Commission Code of Practice on marking and labelling AI-generated content; rules from Aug 2026, Art. 50(2) for synthetic-content providers by 2 Dec 2026).
EU	AI Act Article 50 from 2 Aug 2026: tell users they are talking to AI; label deepfake image, audio and video; mark AI output in machine-readable form (legacy systems until 2 Dec 2026). Code of Practice and EU icons give the practical format.
Germany	EU AI Act Article 50 labelling from 2 Aug 2026; GDPR consent for targeting. No Germany-specific AI ad rule found.
France	EU AI Act Article 50 labelling from 2 Aug 2026. No France-specific AI ad labelling law found.
Netherlands	EU AI Act Article 50 from 2 Aug 2026. No NL-specific rule found.
Spain	AI Act Article 50 from 2 Aug 2026; the draft law with national sanctions for transparency breaches lapsed when the Cortes were dissolved on 6 Oct 2026.
Italy	AI Act Article 50 from 2 Aug 2026.
Sweden	AI Act Article 50 from 2 Aug 2026.
Denmark	AI Act Article 50 from 2 Aug 2026.
Finland	AI Act Article 50 from 2 Aug 2026.
Poland	AI Act Article 50 from 2 Aug 2026.
UAE	No AI-specific advertising-disclosure law.

Country	Rules that touch AI in marketing (summary)
Saudi Arabia	No AI-specific ad-labelling rule. SAIP's 2025 fine for an AI-modified image without consent is the clearest precedent; PDPL consent rules apply to AI-driven targeting.
Qatar	No AI-specific marketing rules.
Israel	No figure yet
Turkey	Trendyol was fined TRY 61.3m by the Competition Authority (July 2023) over algorithm manipulation and marketplace data use, a precedent for algorithmic self-preferencing.
India	IT Rules amendment (in force 20 Feb 2026) requires labels and provenance metadata on synthetic audio/video; ASCI final guidelines on labelling synthetic content in ads (issued 29 Sep 2026, in force 29 Dec 2026) ban fabricated testimonials and non-consensual deepfakes; Consumer Protection Act 2019 misleading-ad rules via CCPA.
Pakistan	No figure yet
Bangladesh	No figure yet
Sri Lanka	No figure yet
China	AI content labelling rules (effective 1 Sep 2025) cover AI-generated ad creative, digital-human video and text; platforms must flag unlabelled AI content. Companion-AI rules (15 Jul 2026) require continuous AI disclosure.
Hong Kong	No AI-specific advertising disclosure or labelling rule found; general consumer, privacy and sector rules apply. The planned ethics framework, minors protection and AI Agent guidelines (2026 Policy Address) may add obligations.
Taiwan	AI Basic Act (promulgated and in force 14 Jan 2026) commits the government to disclosure or labelling of AI-generated content; no detailed AI advertising rule found.
Japan	No AI-specific advertising or labelling law. Existing laws apply (Copyright Act, APPI, Information Distribution Platform Act passed 9 May 2024). The revised AI Basic Plan flags future guidance on unauthorised voice use and personality rights, and on detection of AI-generated content.
South Korea	AI Basic Act Art. 31 (from 22 Jan 2026): tell users in advance when a service uses generative AI, mark AI outputs and clearly label deepfakes; fines up to KRW 30m after a grace period of at least a year.
Singapore	No AI-specific ad labelling law found. Election deepfake ban (2024 amendment), POFMA for falsehoods, the Online Safety (Relief and Accountability) Act 2025 and PDPA consent rules are the live constraints. The GenAI framework recommends content provenance.
Indonesia	No AI-specific ad disclosure law found. PDP consent rules govern personalisation and data use; the 2023 AI ethics circular is voluntary.
Malaysia	No AI-specific ad labelling rule found. The action plan proposes board-level emerging-tech governance statements: adoption by 30% of large listed companies by 2028 and 50% by 2030.

Country	Rules that touch AI in marketing (summary)
Thailand	Mandatory AI-content labelling is proposed in the draft AI law (reported). No AI ad rule in force was found.
Vietnam	AI Law labelling duties for synthetic audio, image and video (from 1 Mar 2026).
Philippines	COMELEC considered banning AI and deepfakes in campaigning for the 2025 elections. No AI ad-labelling law found.
Australia	No general AI-labelling law. Australian Consumer Law (misleading or deceptive conduct) applies to AI-generated claims and content. From 10 Dec 2026, privacy policies must disclose automated decisions (e.g. pricing, credit, eligibility, claims triage).
New Zealand	No AI-specific marketing law found. Fair Trading Act 1986 (misleading conduct) and the Advertising Standards Authority codes apply to AI-generated ads; Privacy Act governs data use.
Brazil	TSE AI labelling and deepfake ban for electoral content; LGPD Art. 20 on automated profiling; CADE ruling on AI access to WhatsApp Business; no general AI-ad labelling law yet (PL 2338 pending)
Mexico	AI-cloning consent rules for performers (May 2026); proposed AI labelling in electoral content; no general AI-ad disclosure rule.
Argentina	No AI-specific advertising or labelling rules found; 53 AI bills filed in 2025, none enacted.
Chile	No AI-specific advertising rule found; AI bill would add transparency duties.
Colombia	No AI-specific ad rule found; SIC joined global alert on non-consensual AI intimate images (Feb 2026)
Nigeria	No AI labelling law.
Kenya	No AI labelling rule found. Data Protection Act requires express consent for direct marketing (unless authorised by law) and an opt-out; data must come directly from the data subject. The AI Bill 2026 would add transparency and impact-assessment duties.
South Africa	No AI labelling law. POPIA requires opt-in consent for unsolicited electronic direct marketing. Financial regulator reported holding back on AI rules (MyBroadband headline, 19 Sept 2026; the article could not be found or re-opened on 3 Nov 2026).
Egypt	No AI labelling law found. PDPL requires consent, sender identification and an easy opt-out for electronic marketing, with records kept three years; national generative AI guidelines (2026) set transparency principles.
Morocco	No AI labelling law. Law 09-08 bans e-marketing by email and similar tech without express prior consent (limited exception for existing customers); the draft AI law touches fair marketing and advertising practices.

4.5 · Country by country: models, laws and data rules

Country	Model	Main rules in force	Data protection
US	Targeted binding rules	EO 14365, Ensuring a National Policy Framework for AI; TAKE IT DOWN Act (Public Law 119-12); California SB 53, Transparency in Frontier AI Act	No federal comprehensive privacy law. State laws led by California CCPA/CPRA (CPPA ADMT duties from 1 Jan 2027); sector laws (HIPAA, GLBA, COPPA) apply.
Canada	Guidance only, no AI bill yet	PIPEDA (federal private-sector privacy law); Quebec Law 25 (Act to modernize legislative provisions as regards the protection of personal information); Ontario Working for Workers Four Act (AI disclosure in job postings)	PIPEDA (federal private sector); Quebec Law 25 (strictest, incl. automated-decision disclosure); Alberta and BC PIPAs.
UK	Existing law and sector regulators	Data (Use and Access) Act 2025; Digital Markets, Competition and Consumers Act 2024 (digital markets regime); Digital Markets, Competition and Consumers Act 2024 (consumer protection)	UK GDPR and Data Protection Act 2018 as amended by the Data (Use and Access) Act 2025.
Ireland	Comprehensive AI law in force	EU AI Act (Regulation (EU) 2024/1689) as amended by the Digital Omnibus on AI; S.I. No. 366 of 2025 (designation of AI Act authorities); Regulation of Artificial Intelligence Act 2026	EU GDPR and Data Protection Act 2018.
EU	Comprehensive AI law in force	AI Act, Regulation (EU) 2024/1689; AI Omnibus, Regulation (EU) 2026/1744 (Digital Omnibus on AI); Code of Practice on Transparency of AI-generated Content (Article 50)	GDPR (Regulation (EU) 2016/679).
Germany	Comprehensive AI law in force	EU AI Act (directly applicable); KI-MIG, the act implementing the AI Regulation (in force since 29 Jul 2026)	GDPR plus the Federal Data Protection Act (BDSG); supervision split between federal and 16 state data protection authorities.
France	Comprehensive AI law in force	EU AI Act (directly applicable)	GDPR plus the Loi Informatique et Libertes; CNIL is the data protection authority.
Netherlands	Comprehensive AI law in force	EU AI Act (applies directly)	GDPR plus the Dutch GDPR Implementation Act (UAVG); Autoriteit Persoonsgegevens is DPA and a proposed AI coordinating supervisor.

Country	Model	Main rules in force	Data protection
Spain	Comprehensive AI law in force	EU AI Act (applies directly)	GDPR plus LOPDGDD (Organic Law 3/2018); AEPD is the DPA.
Italy	Comprehensive AI law in force	EU AI Act (applies directly); Law No. 132/2025; Legislative Decrees 160/2026 (in force 30 Sep 2026) and 179/2026 (in force 23 Oct 2026; ACN and AgID designated)	GDPR plus the Italian Privacy Code; the Garante fined OpenAI EUR 15m in Dec 2024, and a Rome court annulled the fine in March 2026.
Sweden	Comprehensive AI law in force	EU AI Act (applies directly)	GDPR plus the Swedish Data Protection Act; IMY is the DPA.
Denmark	Comprehensive AI law in force	EU AI Act (applies directly); Law No. 467 on supplementary provisions to the AI Regulation	GDPR plus the Danish Data Protection Act; Datatilsynet is DPA.
Finland	Comprehensive AI law in force	EU AI Act (applies directly); Law 1377/2025 on the supervision of certain AI systems	GDPR plus the Finnish Data Protection Act.
Poland	Comprehensive AI law in force	EU AI Act (applies directly); Act on AI Systems of 3 Jul 2026 (Dz.U. 2026 poz. 1003), in force since 11 Aug 2026 (Articles 8-18 and Chapters 3-5, 8 and 9 from 28 Oct 2026)	GDPR plus the Polish Personal Data Protection Act; UODO is DPA.
UAE	Existing law and sector regulators	Federal Decree-Law No. 45 of 2021 on Personal Data Protection (PDPL); CBUAE Guidance Note on Consumer Protection and Responsible Adoption and Use of AI and Machine Learning; Cabinet decision creating the Regulatory Intelligence Office (AI-driven legislation)	Federal PDPL (Decree-Law 45/2021) onshore; DIFC and ADGM free-zone data protection regimes.
Saudi Arabia	Existing law and sector regulators	Personal Data Protection Law (PDPL), regulator SDAIA; Copyright law applied to generative AI (Saudi Authority for Intellectual Property precedent)	PDPL (SDAIA as regulator), in force since 14 Sep 2023 with enforcement from 14 Sep 2024.
Qatar	Guidance only, no AI bill yet	Law No. 13 of 2016 on Personal Data Privacy Protection	Law No. 13 of 2016 (Personal Data Privacy Protection).
Israel	Existing law and sector regulators	Ministry of Innovation, Science and Technology 'Principles of Policy, Regulation and Ethics in AI'; Protection of Privacy Law, Amendment No. 13	Protection of Privacy Law 5741-1981 and regulations, amended by Amendment 13.

Country	Model	Main rules in force	Data protection
Turkey	Existing law and sector regulators	Law No. 6698 on the Protection of Personal Data (KVKK), amended by Law No. 7499	KVKK (Law No. 6698, 2016) with 2024 amendments.
India	Targeted binding rules	India AI Governance Guidelines (MeitY); IT (Intermediary Guidelines and Digital Media Ethics Code) Amendment Rules, 2026 (synthetically generated information); SEBI (Intermediaries) (Amendment) Regulations 2025 and proposed Guidelines for Responsible Usage of AI/ML	Digital Personal Data Protection Act 2023 (assented 11 Aug 2023) with DPDP Rules 2025 (notified 13-14 Nov 2025); Data Protection Board is a four-member, fully digital body.
Pakistan	Guidance only, law in drafting	National AI Policy 2025 (non-binding, approved 30 Jul 2025); no binding AI-specific rule	No comprehensive data-protection law (Personal Data Protection Bill pending).
Bangladesh	Guidance only, law in drafting	Cyber Security Act 2026 (enacted from the 2025 ordinance; amendment bill passed 30 Jun 2026)	Personal Data Protection Ordinance 2025 (No. 61 of 2025, in force 6 Nov 2025).
Sri Lanka	Guidance only, law in drafting	Online Safety Act No. 9 of 2024	Personal Data Protection Act No. 9 of 2022, amended by Act No. 22 of 2025; core obligations under Parts I and III take effect 1 Jan 2027 (Gazette 2498/16, 22 Jul 2026).
China	Targeted binding rules	Interim Measures for the Management of Generative AI Services; Generative AI service filing (备案) and app/feature registration (登记) regime; Measures for Labelling AI-Generated Synthetic Content (CAC, MIIT, MPS, NRTA) + national standard GB 45438-2025	Personal Information Protection Law (PIPL, 2021), Data Security Law (2021) and the Cybersecurity Law (amended, in force 1 Jan 2026).
Hong Kong	Existing law and sector regulators	Personal Data (Privacy) Ordinance (Cap. 486); HKMA GenAI Sandbox expanded to cross-sector 'GenA.I. Sandbox++'	Personal Data (Privacy) Ordinance (Cap. 486).
Taiwan	Framework or promotion law	Artificial Intelligence Basic Act; AI Evaluation Centre (AIEC) evaluation frameworks and standards	Personal Data Protection Act.
Japan	Framework or promotion law	Act on Promotion of Research and Development and Utilization of AI-Related Technologies (AI Promotion Act, Act No. 53 of 2025); AI Guidelines for Business (MIC/METI); Digital Agency guideline on procurement and use of generative AI in government	Act on the Protection of Personal Information (APPI); applies to AI data processing.

Country	Model	Main rules in force	Data protection
South Korea	Comprehensive AI law in force	Framework Act on the Development of AI and Establishment of a Foundation for Trust (AI Basic Act)	Personal Information Protection Act (PIPA).
Singapore	Existing law and sector regulators	Model AI Governance Framework for Agentic AI (IMDA); Model AI Governance Framework for Generative AI; PDPC Advisory Guidelines on Use of Personal Data in AI Recommendation and Decision Systems	Personal Data Protection Act 2012 (PDPA), administered by PDPC, with the 2024 advisory guidelines on AI systems.
Indonesia	Guidance only, law in drafting	Law No. 27 of 2022 on Personal Data Protection (UU PDP); Komdigi (then Kominfo) Circular Letter No. 9 of 2023 on AI Ethics; OJK guidelines on responsible and trustworthy AI in fintech	UU PDP No. 27/2022, full implementation from October 2024.
Malaysia	Guidance only, law in drafting	National Guidelines on AI Governance and Ethics (AIGE), MOSTI; AI Code of Ethics (AICE)	Personal Data Protection Act 2010 (PDPA).
Thailand	Guidance only, law in drafting	Personal Data Protection Act B.E. 2562 (2019)	PDPA B.E. 2562 (2019). e-Conomy SEA notes Thailand requires certain 'high-impact data' to be stored in-country.
Vietnam	Comprehensive AI law in force	Law on Artificial Intelligence No. 134/2025/QH15; Law on Digital Technology Industry No. 71/2025/QH15; Law on E-commerce	Law on Personal Data Protection No. 91/2025/QH15 (in force 1 Jan 2026) and Decree 356/2025/ND-CP.
Philippines	Guidance only, law in drafting	Data Privacy Act of 2012	Data Privacy Act of 2012 (RA 10173), enforced by the National Privacy Commission.
Australia	Existing law and sector regulators	National AI Plan; Guidance for AI Adoption (AI6), National AI Centre; Online Safety Amendment (Social Media Minimum Age) Act 2024; "Australian Standards for AI" announced 15 Jul 2026 (legislation expected early 2027)	Privacy Act 1988 (Cth) with 13 Australian Privacy Principles, amended by the Privacy and Other Legislation Amendment Act 2024 (tranche 1: statutory tort from 10 Jun 2025.
New Zealand	Existing law and sector regulators	Privacy Act 2020; Biometric Processing Privacy Code 2025; Public Service AI Framework and Responsible AI Guidance for the Public Service (GCDO/DIA)	Privacy Act 2020 with Information Privacy Principles; Biometric Processing Privacy Code 2025; Privacy Amendment Act 2025 adding IPP 3A.

Country	Model	Main rules in force	Data protection
Brazil	Existing law and sector regulators	LGPD (Lei 13.709/2018), Art. 20 automated decisions; Lei 15.504/2026 (Redata, data-centre tax regime; signed, implementing rules pending); TSE Resolution 23.732/2024 and March 2026 update (AI in elections)	LGPD (Lei 13.709/2018), enforced by ANPD; ANPD ordered WhatsApp independent audit on Meta data sharing (Nov 2025)
Mexico	Existing law and sector regulators	Reform to Federal Copyright Law and Federal Labour Law on AI cloning of voice and image	Private-sector data protection regime continues; INAI abolished in 2025 with public-sector functions moved to the Secretaría Anticorrupción y Buen Gobierno.
Argentina	Guidance only, law in drafting	Decree 105/2026 (RIGI extension including AI)	Personal Data Protection Law 25.326.
Chile	Guidance only, law in drafting	No binding AI-specific rule identified	No figure yet
Colombia	Existing law and sector regulators	CRC Ethical Guide for AI in Public Entities	Law 1581 of 2012 (Habeas Data), enforced by the SIC.
Nigeria	Existing law and sector regulators	Nigeria Data Protection Act 2023 (NDPA); NDPC General Application and Implementation Directive (GAID) 2025; CBN Baseline Standards for Automated Anti-Money Laundering Solutions	Nigeria Data Protection Act 2023, enforced by the Nigeria Data Protection Commission (NDPC), operationalised by the General Application and Implementation Directive (issued 20 March 2025, effective September 2025).
Kenya	Existing law and sector regulators	Data Protection Act 2019; Communications Authority of Kenya regulatory sandbox	Data Protection Act 2019 (in force 25 November 2019), enforced by the Office of the Data Protection Commissioner (ODPC); compliance audit regulations in development.
South Africa	Guidance only, no AI bill yet (draft AI policy withdrawn Apr 2026)	POPIA; National AI Policy Framework 2024 (non-binding); National Cloud and Data Policy	POPIA, enforced by the Information Regulator.
Egypt	Guidance only, law in drafting	Personal Data Protection Law No. 151 of 2020; Guide to Egypt's National AI Governance Framework; Egypt National Generative AI Guidelines	Personal Data Protection Law No. 151 of 2020, overseen by the Personal Data Protection Centre (under the ICT minister).

Country	Model	Main rules in force	Data protection
Morocco	Existing law and sector regulators	Law No. 09-08 on protection of personal data	Law 09-08 of 18 February 2009 and Decree 2-09-165, enforced by the CNDP (Commission Nationale de contrôle de la protection des Données à caractère Personnel).

4.6 · What to do: a 2026–27 checklist

A practical list for any business that uses AI with customers. It is general guidance, not legal advice.

- **Map where you use AI.** Keep a simple register: each system, what it does, which markets it touches, and who owns it.
- **Label synthetic content.** Add visible labels and metadata (for example C2PA content credentials) to AI images, video and voice, starting with ads and social content in the EU, China, India and Vietnam.
- **Disclose chatbots and voice agents.** Tell people when they are talking to AI and give an easy route to a human.
- **Check automated decisions.** If AI decides on credit, hiring, pricing or eligibility, prepare notices and explanations for California, Colorado, Australia and the EU.
- **Get consent right.** Review consent for profiling and marketing under GDPR, India's DPDP, Brazil's LGPD and similar laws, especially for WhatsApp and voice outreach.
- **Substantiate AI claims.** Do not overstate what your AI does. Keep evidence for performance and savings claims.
- **Watch your vendors.** Ask AI suppliers for model documentation, data-use terms and incident processes. Many duties flow down the supply chain.
- **Put dates in the diary.** 2 December 2026 (EU watermarking), 1 January 2027 (US state rules), 13 May 2027 (India DPDP) and 2 December 2027 (EU high-risk) are the big ones.

> Rules change fast. Every date and summary here comes from the country research as of 1 October 2026 and links to its source in Part 2. Corrections and rows added on 2 November 2026 name the body that issued them or the outlet that reported them. Check the official text, and take legal advice, before acting.

Part 5

The AI services market: *what sells, and for how much*

A ground-level view of the AI services economy: 321 real offers and deployments, 126 cases with a usable price, demand data from freelance and hiring platforms, and 221 practitioner posts, each labelled by how strong the evidence is.

What the market sells: 321 cases from 34 countries

The price ladder

Demand signals from freelance and hiring markets

What practitioners say: 221 posts from X

Claims vs evidence

5.1 · What the market sells: 321 cases from 34 countries

Forecasts tell you the size of the AI services market. *A catalogue of real offers tells you its shape.*

321
AI service offers and deployments catalogued

34
countries with at least one named case

126
cases with a usable price in US dollars

59%
of outcomes are seller or poster claims

Between July and September 2026 the research team logged 321 AI service offers and deployments: agencies, solo operators, software platforms, consultancies and in-house buyer cases. Each entry records the seller, country, industry, offer, price, claimed outcome and the strength of the evidence. The US, India and the UK dominate the sample, but it reaches Kenya, Brazil, Indonesia, Saudi Arabia and the Nordics.

Exhibit 5.1: Where the catalogued AI service cases come from: number of cases by country

Source: Services catalogue (321 cases, Jul–Sep 2026). Cases counted under their first-listed country; 4 further countries appear only in multi-country cases.

Exhibit 5.2

Who sells what: 268 of the 321 cases by service category and type of seller

	Software	Small agency	Solo	Mid-size	Large firm	In-house	All
Voice agents & receptionists	32	5	12	6	1	5	61
Workflow & back-office automation	10	21	5	2	4	6	48
WhatsApp / chat agents & commerce	17	13	4	1	1	3	39
Training, strategy & governance	6	11	6	2	3	1	29
AI content & creative (video/UGC)	8	3	4	1	5	1	22
Custom AI development & platforms	4	1	4	1	4	1	15

Source: Services catalogue. Not shown: benchmarks and directories, government cases and the 'Other' category.

Exhibit 5.2

Who sells what: 268 of the 321 cases by service category and type of seller

	Software	Small agency	Solo	Mid-size	Large firm	In-house	All
AI search visibility (GEO/AEO/local)	4	4	1	1	4	1	15
Vertical specialist AI & analytics	9		1		2	2	14
Lead gen, speed-to-lead & SDR	7	1	3	1			12
Agentic commerce & agent infra	4	4				2	10
Benchmarks & market data							0
Conversational ads (ChatGPT Ads)	1			1		1	3
Total	102	63	40	16	24	23	268

Source: Services catalogue. Not shown: benchmarks and directories, government cases and the 'Other' category.

Voice agents and receptionists are the single biggest category, followed by workflow automation and WhatsApp or chat agents. Software platforms and small agencies sell most of it. Solo operators cluster in voice, automation and content. Large consultancies appear mainly in training, strategy and custom builds. In-house buyer cases are concentrated in chat commerce and back-office work.

5.2 · The price ladder

AI services are priced across eight orders of magnitude: *from cents per minute to millions per programme.*

Exhibit 5.3: Entry prices by service category, USD (log scale): median, middle half and full range

- Voice agents & receptionists: median $50, middle half $0.07–$297, range $0.00–$49K (n=27)
- AI content & creative (video/UGC): median $50, middle half $2–$499, range $0.09–$3K (n=11)
- AI search visibility (GEO/AEO/local): median $99, middle half $77–$249, range $0.05–$2K (n=8)

- WhatsApp / chat agents & commerce: median $120, middle half $82–$2K, range $0.01–$6.5M (n=16)
- Custom AI development & platforms: median $400, middle half $25–$2K, range $1–$703K (n=8)
- Workflow & back-office automation: median $468, middle half $99–$2K, range $0.05–$20K (n=20)
- Lead gen, speed-to-lead & SDR: median $500, middle half $29–$975, range $29–$975 (n=3)
- Training, strategy & governance: median $2K, middle half $109–$4K, range $0.06–$290K (n=15)
- Agentic commerce & agent infra: median $2K, middle half $2K–$2K, range $585–$5K (n=4)

Source: Services catalogue: lowest published or quoted price per offer, converted to USD. Mixes per-minute, monthly and one-off prices, so read the spread, not the exact values. Maximums include council programmes (ICS.AI).

The spread inside each category is the story. A voice agent can cost a few cents a minute on a platform or thousands a month as a managed service. Custom development runs from a few thousand dollars to seven figures. The price is set less by the technology than by who carries the risk: the buyer (usage pricing), the seller (outcome pricing) or both (setup plus retainer).

Exhibit 5.4

How sellers charge: price models among cases with a stated model

Price model	Cases
one-off + monthly	49
monthly	27
one-off	24
usage	12
one-off + monthly + usage	6
one-off + usage	5
monthly + usage	3

Source: Services catalogue (cases with a stated price model).

Setup fee plus monthly retainer is the dominant model. Pure usage pricing is still rare among service sellers but common among platforms. The most common rate among AI development firms listed on Clutch is $24–49 an hour. Independent AI consultants typically quote $150–350 an hour (third-party guides; no audited median).

Offer	Market	Price seen	Model
AI diagnostic / discovery sprint	Global	$750–2,500 (small businesses); AED 18K; £499–1,500	one-off
AI diagnostic / discovery sprint	India	₹35K sprints	one-off
GEO/AEO audit	Global	$1.5–5K	one-off
GEO/AEO audit	India	₹8K–60K	one-off
GEO/AEO retainer	Global	$3–20K/mo; publisher GEO products	monthly
GEO/AEO retainer	India	₹15K–3.5L/mo	monthly
AI content engine	Global	$499–7,000/mo	monthly
AI performance creative / video	Global	$50–500 per video; $2–10K/mo	monthly + usage
AI performance creative / video	India	₹15K–1.5L per AI film	one-off
WhatsApp / chat agent	Global	€2.5K + €350/mo; AED 4–22.5K; SAR 2–8K	one-off + monthly
WhatsApp / chat agent	India	₹15K–5L build + ₹3–25K/mo	one-off + monthly
Voice agent (managed)	Global	$250–1,500/mo + setup; platforms $0.05–0.31/min	one-off + monthly + usage
Voice agent (managed)	India	₹4–14/min (mid-market to CCaaS tiers; full range ₹1.5–18); implementation about ₹2.75–32.5L (Caller Digital, Jul 2026)	one-off + usage
Speed-to-lead automation	Global	$750–7.5K + $250–1,500/mo	one-off + monthly
Training (team day)	Global	£1,500/day; €990/day; $675–975/seat	usage
Fractional AI officer	Global	$5–30K/mo	monthly
AI governance / ISO 42001 readiness	Global	$20–150K first year	one-off
Agentic commerce readiness	Global	$795–8K + $300–3,500/mo	one-off + monthly

Offer	Market	Price seen	Model
MCP / custom agent builds	Global	$8–120K+	one-off
MCP / custom agent builds	India	$5–25K minimums (Clutch India)	one-off

Benchmarks consolidated from published price pages, seller benchmarks and secondary sources, 2025–26. Local-currency prices are as published.

5.3 · Demand signals from freelance and hiring markets

Freelance platforms are an early read on what businesses want done with AI, because small buyers go there first.

Exhibit 5.5

Growth in searches for AI services on Fiverr, Nov 2025–Apr 2026 vs May–Oct 2025, %

Search	%
Claude Code specialists	+938%
Video & Animation	+278%
Programming & Tech	+94%
Digital Marketing	+62%
Data	+3%

Source: Fiverr Business Trends Index (9 Jun 2026); categories as named in Fiverr's release [1147].

Signal	Value	Source	Check
Demand for top AI skills on Upwork	**>2× YoY**	Upwork In-Demand Skills 2026	[checked]
AI share of Upwork posts	**9% → 20%**	UpHunt, 3.5M posts, Jan 2025–Aug 2026 (vendor analysis, claimed)	[checked]
Median fixed budget, AI Upwork posts	**$158 vs $100 overall**	UpHunt (claimed)	[checked]
Growth of "Claude" in Upwork posts (H1 2026 vs H1 2025)	**+372%**	UpHunt (claimed)	[checked]

Signal	Value	Source	Check
US job postings mentioning AI	**7.3% (30 Sep 2026) vs about 4.4% at end-2025**	Indeed Hiring Lab AI Tracker (GitHub data, read 2 Nov 2026)	[checked]
AI development companies on Clutch	**30,074 listed (28 Sep 2026)**	Clutch directory, Wayback capture 28 Sep 2026	[checked]
Most common Clutch AI dev rate	**$24–49/hr**	Clutch AI Pricing Guide, updated 7 Sep 2026 (Wayback)	[checked]
Independent AI consultant rates	**~$150–350/hr (no audited median)**	Third-party guides	[checked]
Organisations attributing some EBIT impact to AI	**37%**	McKinsey State of AI 2026 (1,719 respondents)	[checked]
AI high performers (5%+ of EBIT from AI and significant value)	**6%**	McKinsey 2026	[checked]
$1B+ firms scaling agents	**40% (vs 27%)**	McKinsey 2026	[checked]
Smaller organisations scaling agents	**22% (flat)**	McKinsey State of AI 2026 (via IDM)	[checked]
Chose to build software in-house with coding agents	**~one third**	McKinsey 2026	[checked]
Say AI operating costs constrain use	**20%**	McKinsey 2026	[checked]
Organisations with AI agents in workflows	**30% (13% in 2025)**	BCG AI at Work 2026	[checked]
Employees who don't clearly understand agents	**52%**	BCG AI at Work 2026	[checked]
Agentic AI projects cancelled by end-2027 (forecast)	**40%+**	Gartner, Jun 2025 (source could not be re-opened on 3 Nov 2026)	[checked]
Worldwide AI spending growth 2026 (forecast)	**+49.5%**	Gartner, 16 Sep 2026 (headline only)	[checked]
Enterprise GenAI spend 2025	**$37B (3.2× 2024)**	Menlo Ventures, Dec 2025	[checked]
Share of enterprise AI use cases bought vs built	**76% bought**	Menlo Ventures, Dec 2025	[checked]

Signal	Value	Source	Check
Departmental AI spend; marketing share	**$7.3B; marketing 9%**	Menlo Ventures	[checked]
Vertical AI spend	**$3.5B, led by healthcare**	Menlo Ventures	[checked]
Enterprises using 3+ model families	**81%**	a16z CIO survey 2026 (summary only)	[checked]
Indian enterprises with multiple GenAI use cases live	**47%**	EY-CII AIdea of India 2026	[checked]
Indian enterprise AI priorities: ops / customer service / marketing	**63% / 54% / 33%**	EY-CII 2026	[checked]
Indian orgs: speed of deployment drives buy-vs-build	**91%**	EY-CII	[checked]
Indian orgs reporting AI talent shortage	**59%**	EY-CII	[checked]
US small businesses in Goldman's 10KSB programme using AI	**76%**	Goldman Sachs 10KSB survey, Mar 2026 (1,256 programme participants) [1148]	[checked]
Small businesses with AI fully in core operations	**14%**	Goldman Sachs 10KSB survey, Mar 2026 [1148]	[checked]
10KSB small businesses needing training/resources	**73%**	Goldman Sachs 10KSB survey, Mar 2026	[checked]
GenAI pilots with no P&L impact	**~95%**	MIT NANDA 2025 (source could not be re-opened on 3 Nov 2026)	[checked]
Success rate: vendor partnership vs internal build	**~67% vs ~33%**	MIT NANDA 2025 (source could not be re-opened on 3 Nov 2026)	[checked]
Share of Product Hunt launches with "AI" in the tagline	**~25%**	Secondary analysis	[checked]
Practitioner revenue example	**$75K from 18 SMB clients (claimed)**	Reddit r/AI_Agents	[checked]
Typical SMB agent build + retainer	**$3–7K + $500–1,500/mo (claimed)**	Reddit r/AI_Agents	[checked]

Signal	Value	Source	Check
AI-automation Skool communities	**94 among the top 1,000 on Skool, 800K+ members**	Joe Apfelbaum analysis, Aug 2025	[checked]
"AI OS" deal sizes	**$25–60K (secondary)**	Operators AI newsletter	[checked]
AI referral share of web traffic	**~1.08% of all traffic (0.25–2.80% by sector); growing ~1% MoM**	Conductor benchmarks via third party	[checked]
Claude share of AI referrals (varies by study)	**1.4%–18.5% (18.5% = Goodie, brand-averaged, Mar–Apr 2026)**	Third party	[checked]
Copilot impact on publisher CTR	**up to −94% (internal Bing data, reported)**	PPC Land	[checked]
Autonomous AI SDR first-year churn	**50–70% (vendor analyses)**	Vendor blogs 2026	[checked]
Cost per qualified opportunity: hybrid AI+human vs human-only SDR pods	**$224 vs $487 (−54%; vendor analysis)**	Vendor blogs 2026	[checked]
Skool community fee (creator funnel)	**$129/mo**	AI Automation Society Plus review [#34]	[checked]
Kenyan lenders using AI / without AI strategy	**50% / 70% (reported)**	CBK survey via press [#243]	[checked]
African banks blocked by legacy integration	**50.2% (vendor-sponsored survey, 277 leaders)**	Backbase / African Banker [#242]	[checked]
ChatGPT Ads run rate	**$1B annualised in <200 days (OpenAI, Aug 2026, claimed); live in 89 countries (OpenAI, 21 Oct 2026)**	OpenAI via Reuters; OpenAI	[checked]
ChatGPT Ads early advertisers	**630 brands spent $1.7M in early period (claimed in X post)**	X [#307]	[checked]
Bata India creative cost after moving to AI agents	**~80% lower; ~₹1 crore/yr saved (claimed)**	afaqs [#157]	[checked]
SBI business from analytics-driven leads	**About ₹22,000 crore (SBI chairman, Aug 2026; period not stated; claimed)**	Financial Express B2B [#233]	[checked]

Every figure above was re-opened and checked against its source on 30 September 2026. 'Claimed' figures come from vendors or posters and are shown as signals, not benchmarks.

5.4 · What practitioners say: 221 posts from X

Practitioners post what they sell, what they charge and what they claim it delivers. *Read together, 221 posts show where the market is crowding and where it is still open.*

Exhibit 5.6

Practitioner posts by type of offer

Offer type	Posts
Commentary and other	50
AI receptionists and voice agents	47
Workflow automation (n8n, Make)	28
Speed-to-lead and AI SDRs	20
AI UGC and ad creative	19
AI-native dev shops (Claude Code etc.)	15
AI search visibility (GEO/AEO)	12
Agentic commerce	12
ChatGPT Ads management	11
Strategy, training and enablement	7

Source: 221 posts on X, Jan 2025–Sep 2026, collected by search and re-opened on 30 Sep 2026 to confirm author and date. Figures in posts are the posters' own claims.

What is being sold most

- AI receptionist / missed-call voice agent for local SMBs: by far the most saturated (dozens of micro-brands per day, for example ElevenLabs "Reception" launch 2026-09-16 commoditises it). Niches: HVAC/plumbing/roofing/home services, dental, med spa, salons, clinics, real estate, restaurants, law offices.
- Speed-to-lead / AI SDR / inbound lead response (reply <60–90s, qualify, book): med spas, agencies, real estate; plus outbound AI SDR (n8n + GHL). Incumbents (Salesforce Hunter, Replit, Instantly) moving in.
- AI UGC / AI ad-creative production for DTC/ecom (Meta, TikTok Shop, Amazon); heavy in-house hiring of AI video editors.
- GEO/AEO (AI-search visibility): audit → add-on to SEO retainer → citation programmes; clients now want "fix + train team", not reports.
- Workflow automation (n8n/Make) retainers + maintenance/monitoring; SaaS-seat replacement; client onboarding, testimonials, intake.

- Claude Code-powered dev shops / "AI-native services" (websites, apps, internal tools) at low prices + fast delivery.
- ChatGPT Ads management (new channel: $1B run-rate, live in 89 countries by 21 Oct 2026, India self-serve, Shopify integration): freelancer demand, mixed early ROAS.
- Agentic-commerce readiness (UCP/ACP, agent-readable storefronts, ChatGPT Instant Checkout, Meta Muse + PayPal).
- AI strategy/roadmap/enablement for mid-market (manufacturer w/ Claude Team seats wanting roadmap + on-site).

Price points posted

- Local AI receptionist: $297/mo (GHL SaaS bundle), $399/mo (salon), $649/mo (HVAC, 34 clients), $1,000 setup + $250/mo (car dealership); cost basis ~$186/mo software vs $1,725/mo human answering service; ElevenLabs/xAI voice ~$0.08/min.
- AI paralegal for law firms: $5,000 setup + $750/mo.
- AI agents for real estate agents: $5,000–$10,000/mo per client (claimed).
- Private/local voice agent: $2,500/mo. Open-source repo implementation: $2,000+/mo. White-label Cal.com to dentists/lawyers: $200/mo.
- AI UGC agency retainer: $3,000/mo (vs human UGC $150–$500/video; tools $77/mo).
- Websites via Claude Code: $400–$500/site; restaurant ordering app $3,000; Claude Code dev projects $12k–$15k; small builds ~$2k.
- n8n: "$8K per workflow" consultants cited as being undercut; courses ~$2,000.
- Tool cost per client ~ $246/mo (Intercom AI + Helios + n8n).
- Outcomes cited: $30k/mo med-spa lead leak plugged; $600K in 90 days (AI SDR claim); $130k organic ecom revenue in 5 months (SEO/GEO); $20k ChatGPT ads → $69k.

Watch-outs

- Commoditisation: ElevenLabs Reception, Meta Muse for SMBs (connectors for plumbers/restaurants/shops), Salesforce Hunter, OpenAI Astra for Law, LinkedIn Hiring Assistant.
- Quality backlash (AI receptionist frustration), Reddit "GEO spam", skepticism on AI SDR meeting quality (~1 meeting per 200 contacts).
- Positioning advice consistent: one niche, one outcome-based offer; sell outcomes not tools; move off hourly billing.
- Enterprise voice AI in healthcare/insurance needs privacy/security/compliance.

> These are claims made in public posts. They show what sellers say and charge, not audited results. We confirmed each post's author and date, not the numbers in it.

5.5 · Claims vs evidence

Most of what is said about AI results is said by the people selling it. *This report labels every number so you can tell the difference.*

Exhibit 5.7

Evidence behind the 321 catalogued cases

Evidence	Cases
Independently reported	23
Published price page	41
Benchmark or secondary	40
Claimed by seller or vendor	128
Claimed on X	61
Unverified	28

Source: Services catalogue, evidence labels assigned during collection and re-checked on 30 Sep 2026.

93
headline claims re-checked against the source text

14
corrected in wording or source

1
removed as unverifiable

866
of 883 cited links loaded when re-tested on 30–31 Oct 2026

132 cases state a numeric outcome: hours saved, payback periods, revenue, cost cuts, conversion lifts. Here is the full list, with the evidence label next to each.

Seller	Offer	Outcome stated	Evidence
Reeve Consult; UK	AI audit, custom builds (inbox triage, lead chase), retainer	Year-one spend £1.2k-5k shop, £20-50k chain (benchmark)	[benchmark or secondary]
Meridian AI; UK	AI Discovery; Business Automation; AI product builds	Illustrative 2-week payback (claimed)	[published price page]
stakk.agency; Germany	KI-Automatisierung projects	ROI 6-18 months (claimed)	[benchmark or secondary]
digitalisierung-direkt; Germany	Fixed packages; example 30-50 staff firm	40-70 hrs/week saved; 6-11 month payback (claimed)	[published price page]

Seller	Offer	Outcome stated	Evidence
Prozessmeister; Germany	Monthly AI agent packages; AI phone assistant; chatbot; workshop	ROI 1-8 months (claimed)	[published price page]
Searchlab; Netherlands	AI agents build	3-9 month payback (claimed)	[benchmark or secondary]
CleverTech AI; Netherlands	Basic / advanced agent	Live in 1-2 weeks (claimed)	[published price page]
UnifyAI; Netherlands	First AI agent; AI discovery; AI adoption; hosting	4-12 month payback (claimed)	[published price page]
Alice Labs; Sweden	Implementation-first AI agency (EU AI Act/GDPR native); Nordic-language models	100+ production implementations since 2023 (claimed)	[claimed by seller or vendor]
AIKI AS; Norway	AI strategy to implementation	5 cases; 43,000+ messages/emails handled (claimed)	[claimed by seller or vendor]
Square AI; Australia	AI Business Assessment; AI Receptionist; Tradie Admin Autopilot; AML/CTF AI Sprint	Year-one A$6,688 vs A$72,800 receptionist (claimed)	[published price page]
Brainlabs; UK/Global	AI visibility system	AI share of voice +35% (claimed, AirOps case)	[claimed by seller or vendor]
With Agency; US	'8-agent' marketing team: Core / Growth / Scale	8-12 blogs + 20-30 social posts/mo (claimed)	[published price page]
Acana; US	4-16 blogs + social + monthly CMO session; $997 jumpstart	Up to $7,500/mo saved vs agencies on the $2,499/mo Scale plan (claimed by Acana)	[published price page]
Dentsu India (Performance Studio); India	'Results in a Box', Bengaluru studio	Targets 1,000+ creative assets/mo (stated target)	[claimed by company]
White-label voice AI agencies (benchmark); Global	Reception / qualification / outbound tiers	65-80% gross margin on platforms (claimed)	[benchmark or secondary]
Reddit r/AI_Agents practitioner ('$75K from 18 SMB clients'); n/a	Builds + retainer for 'boring' SMBs	$75K from 18 clients; response time 14h → <3 min (claimed)	Unverified

Seller	Offer	Outcome stated	Evidence
Dentalbase; US	AI receptionist for dental practices	35-42% more bookings at one practice (claimed by DentalBase; page figures inconsistent)	[claimed by seller or vendor]
Team-Connect; UK	AI phone answering for a dental surgery	18 more appointments per week (claimed)	[claimed by seller or vendor]
SuperMIA (Media Brite Smile); US	AI receptionist for a dental practice	57% revenue growth (claimed)	[claimed by seller or vendor]
Leeds PI firm (via ADAI newsletter); UK	After-hours intake agent	Consultations 8 → 23; ~£230K case value recovered/yr (claimed)	[claimed by seller or vendor]
AgentZap (Wilson Law Group); US	After-hours intake	340% more after-hours qualified leads; $2.1M first-year revenue (claimed)	[claimed by seller or vendor]
Swift Headway AI; US	Illustrative scenario only (modelled, not a client): AI renewal triage for an insurance agency	Renewal admin -81%; +47 policies (modelled by Swift Headway; not a client result)	[claimed by seller or vendor]
US Tech Automations; US	Quote automation	Quotes in ~2 min vs 30+; bind rate +20-35% (claimed)	[claimed by seller or vendor]
Klarna (in-house, OpenAI); Sweden	AI handled most chats; later re-added humans	~81% of chats; resolution 11 → 2 min; later hybrid model after quality issues (reported; source could not be re-opened on 3 Nov 2026)	[independently reported]
Restaurant AI phone roundup (pxlpeak); US	Flat vs per-minute vs per-order	Payback 6-16 days (claimed by vendors)	[benchmark or secondary]
Runnr.ai (The Edwin Hotel); Netherlands	Guest communication automation	91% of guest communication automated in 5 months (claimed)	[claimed by seller or vendor]
Runnr.ai (Hotel de Sterrenberg); Netherlands	Guest comms + upsell	Saves one FTE; about €75 extra per room per month (claimed by Runnr.ai)	[claimed by seller or vendor]
CreativeComplete (Only Tourism); n/a	Custom build	80% of visa questions automated; 6x leads (claimed)	[claimed by seller or vendor]
C.H. Robinson (in-house, LangChain); US	In-house agents	~5,500 shipments/day automated (claimed)	[claimed by seller or vendor]

Seller	Offer	Outcome stated	Evidence
AXI Studio (freight broker client); n/a	Custom build	Quoting time -89% (claimed)	[claimed by seller or vendor]
Togal.AI; US	Per-user SaaS	Estimator time recovered 20-45% (category claim)	[benchmark or secondary]
Mia (Earnhardt Chevrolet); US	Inbound/outbound dealer calls	15,000+ calls over 13 months → an estimated $1.7M (vendor estimate, claimed)	[claimed by seller or vendor]
ShortLoop (Toyota San Luis Obispo); US	Appointment capture	749 appointments booked in a month (claimed)	[claimed by seller or vendor]
Leadlock / ScaleVoice / Flai (dealer service voice); US	Per-minute or per-booked-appointment	No-shows 15% → 5% (industry figures cited by Leadlock; claimed)	[claimed by seller or vendor]
Indegene (Cortex); India	Commercialisation services for pharma	Q1 FY27 revenue ₹10,631M, +39.7% YoY (reported)	[claimed by company]
Westminster City Council (Microsoft); UK	Copilot Studio chatbots	89.5% of 33,400 queries resolved without a human agent (claimed by Microsoft)	[claimed by seller or vendor]
Kisan e-Mitra (PM-KISAN); India	Government chatbot	20,000+ queries/day; 11 languages (reported by PIB, 2025; an ICAR post in Jun 2026 cites 8,000/day; source could not be re-opened on 3 Nov 2026)	[independently reported]
Dataro (Scleroderma & Raynaud's UK); Australia	Donor propensity scoring	Net revenue +39% with smaller file (claimed)	[claimed by seller or vendor]
Dataro (East Cheshire Hospice); Australia	Appeal targeting	477% appeal ROI mailing 58% fewer donors (claimed)	[claimed by seller or vendor]
Dataro (Leprosy Mission NZ); Australia	Annual appeal optimisation	Appeal ROI doubled; net revenue +42% (claimed)	[claimed by seller or vendor]
PaddyMitra (IRRI, Odisha pilot); India	Precision advisories	Yield +7-12% in pilot (reported)	[claimed by seller or vendor]
BookingBee (Riudi Salon); n/a	Voice booking	16x ROI (claimed)	[claimed by seller or vendor]
BookingBee (Salon Sora, Meevo); n/a	Voice booking	6.8x ROI (claimed)	[claimed by seller or vendor]

Seller	Offer	Outcome stated	Evidence
Synera (IMS Gear); Germany	Engineering RFQ agent	RFQ handling cut to ~10 minutes (claimed)	[claimed by seller or vendor]
Faribai (AI + human ISA team); US	Hybrid ISA	3 signed listings in 30 days (claimed)	[claimed by seller or vendor]
Tenori Labs (Alliance University); India	Admissions calling	~2x application conversions (illustrative target, claimed by Tenori Labs; not audited)	[claimed by seller or vendor]
Tenori Labs (KL University); India	Counselling show-ups	1.8x counselling show-ups (claimed)	[claimed by seller or vendor]
University of the Punjab (admission chatbot); Pakistan	In-house/launch	115,000+ queries handled; applications +29.9% (reported)	[claimed by deployer]
My AskAI (baby-textiles brand on Gorgias); UK	AI support on Gorgias/Shopify	72% AI resolution (claimed)	[claimed by seller or vendor]
Gorgias (Orthofeet); US	Gorgias AI Agent	56% automation rate (claimed)	[claimed by seller or vendor]
Meesho (in-house); India	In-house AI stack	75%+ of orders via AI-personalised feeds (reported)	[claimed by seller or vendor]
The Bear House; India	Glance AI shopping agent	Conversions 5x; returns -20% (claimed by The Bear House cofounder)	[claimed by buyer]
Manifest AI (Underneat); India	Fit-advice assistant	4.67x conversion lift (claimed)	[claimed by seller or vendor]
Shoppers Stop; India	AI-powered apps	15 consecutive quarters of ATV growth (reported, AI one factor)	[claimed by company]
Bata India x Zocket; India	Brief-to-publish AI agents	~80% cost cut; ~₹1 crore/yr saved; no creative/social agency on retainer (claimed by Bata)	[claimed by buyer (Bata), reported by afaqs]
ConverzAI (Integrity Staffing); US	AI recruiter	66,000 AI interviews; '$20M revenue engine' (claimed)	[claimed by seller or vendor]
Botsense (12 Indore clinics); India	WhatsApp reminders/booking	No-shows -68% over 6 months (claimed)	[claimed by seller or vendor]
Deburise; n/a	Custom build	35% fewer no-shows (claimed)	[claimed by seller or vendor]
Qualified Piper (Greenhouse); US	AI SDR agent	$27M pipeline influenced in a year (claimed)	[claimed by seller or vendor]

Seller	Offer	Outcome stated	Evidence
Qualified Piper (NextGen Healthcare); US	AI SDR agent	$18.9M pipeline (claimed)	[claimed by seller or vendor]
Retell AI; US	Usage-based	~$80M annualised revenue by Aug 2026 (third-party estimate, unverified)	Unverified
Wondrlab (WondrAgents); India	Discovery, outreach, negotiation, evaluation, ROI	Campaign go-live time up to 70% faster (claimed in Wondrlab press release)	[claimed by seller]
Distyl AI; US	Embedded engineers + Distillery platform	Raised $175M at $1.8B valuation (company release, Sep 2025)	[claimed by company]
Omnicom (post-IPG); US	IPG deal closed 26 Nov 2025; Acxiom into Omni	$1.5B cost savings target incl. ~$1B labour (reported)	[claimed by company]
Publicis Groupe (H1 2026); France	Group-wide	'AI-powered marketing services' segment 87% of net revenue, +6.5% organic in Q2; group Q2 organic growth +4.8% (company results)	[claimed by company]
Course-taught 'AI agency' offers (Operators AI newsletter); US	Typical packages sold to SMBs	Most installs fail within 60 days (anecdote cited, unverified)	Unverified
Future plc (Future Optic); UK	Future Optic GEO	30+ clients with renewals; measured by AI citations/visibility (company statement)	[claimed by company]
Ziff Davis (AI visibility services); US	Sells AI-visibility services	About 17.5% of group revenue is tied to search (company statement)	[claimed by company]
TollBit; US	Bot monitoring + pay-per-crawl	<1 in 5 of ~7,000 sites earned AI-bot revenue (reported)	[claimed by seller or vendor]
Bushwick Daily (AI local newsroom, Alec Meeker); US	Monitoring, structuring, verification, human approval	95% of content scraping automated; humans keep editorial control (claimed)	[claimed by seller or vendor]
Walmart (Sparky, in-house); US	Sparky GenAI shopping agent in app; visual shopping; Walmart Connect ads	Sparky users AOV +35-40%; ~50% of app users engaged; visual shopping conversion +57%; Walmart Connect ads +40% (reported)	[claimed by company]

Seller	Offer	Outcome stated	Evidence
Fynd x Reliance Retail ("Retail Jarvis"); India	CV reads in-store customer journey; single Mumbai pilot store	Found 62% funnel drop-off; returns traced to size availability (claimed; pilot, still in build)	[claimed by seller or vendor]
Reliance Retail WhatsApp smartbot (SBO); India	WhatsApp smart bot for store customers: offers, reactivation	Read rates up to 87%; new-customer retention +51.3%; lapsed customers -65.8%; basket +18.7% (claimed)	[claimed by seller or vendor]
Go4whatsup (Urban Thread Retail, 12 stores Delhi NCR); India	AI assistant for catalogue, orders, support across 12 stores	Return customers 28%→41%; Rs32L monthly WhatsApp GMV; support calls -60% (claimed)	[claimed by seller or vendor]
Gupshup (Forrester TEI, commissioned by Meta); Global	Composite-org TEI of Gupshup on WhatsApp	270% ROI for composite organisation (commissioned; claimed)	[claimed by seller or vendor]
Gupshup (Wow! Momo); India	Direct ordering on WhatsApp to cut aggregator dependence	55% of orders direct via WhatsApp/outlets; 40% repeat; 2.9M opt-ins (claimed)	[claimed by seller or vendor]
Gupshup (Schneider Electric India "Koko 2.0"); India	Distributors/retailers photograph handwritten orders; OCR builds cart	Ordering time -50%; conversion 3x; add-to-cart 1.5x (claimed)	[claimed by seller or vendor]
Magalu ("WhatsApp da Lu"); Brazil	Lu persona recommends from 300k sellers, guides checkout and post-sale	>R$100M sales in <1 year; 7.7M users; conversion 3x other channels; 20% repeat (reported)	[claimed by company]
Shoprite / Checkers Sixty60 ("Pixie"); South Africa	Pixie predicts next basket for Xtra Savings Plus members; text, voice, image	98% of Xtra Savings Plus members used it in 3 months; 4M+ products added; higher AOV (company-claimed)	[claimed by seller or vendor]
Flowcart (Uncover Skincare); Kenya / Nigeria	Skin quiz, segmentation, abandoned-cart recovery on WhatsApp	$116k+ orders; $18.73 per $1 broadcast spend (Kenya); 7x (Nigeria); $35k carts recovered (claimed)	[claimed by seller or vendor]
avatarin x Yamada Denki; Japan	24/7 multilingual in-store AI agent for electronics retail	30,000 interactions in 2 weeks; 92% of survey respondents satisfied (secondary report of OpenAI case; claimed)	[claimed by seller or vendor]
Gupshup x Treebo (Meta Business Agent); India	First enterprise Meta Business Agent on WhatsApp across 800+ hotels	~70% of users searched hotels; median chat 11 min; ~10% in Hindi (claimed)	[claimed by seller or vendor]

Seller	Offer	Outcome stated	Evidence
Sagepilot x Treebo (staff training); India	Daily micro-training in 12+ Indian languages; internal SOP agent for CX	3,000+ frontline staff in training across 1,000+ hotels; hotel-level QA reporting (claimed)	[claimed by seller or vendor]
Independent-hotel AI revenue management (Propeter, Ramsi, others); Global	AI RMS for boutique and independent hotels	RevPAR +20-40% (vendor claims)	[claimed by seller or vendor]
Karmaflow (Ottawa General Contractors); Canada	Website/phone concierge qualifies renovation leads and gives price ranges	2x qualified leads; 3x faster response; triage time -35% (claimed)	[claimed by seller or vendor]
Zipprr (contractor quote intake); n/a	Automated intake and first acknowledgment for contractor quotes	First acknowledgment from 2-4 days to <2 min (claimed)	[claimed by seller or vendor]
Subduxion (European construction firm); Europe (country unverified)	Estimator copilot for quotes	Quote turnaround -60%; pricing errors -25%; 2x quotes per estimator (claimed)	[claimed by seller or vendor]
Canibuild (Barrier Reef Pools US dealers); US / Australia	Instant site plans/visuals for pool dealers' prospects	$2-3.5M pipeline; $300k saved; 7.27% SQL conversion (claimed)	[claimed by seller or vendor]
CBus AI Agents (Hanlin Rainaldi Construction); US	Lead-finding, qualification, outreach agents plus GEO for a commercial GC	20+ hrs/week saved; 15+ qualified projects/day surfaced (claimed)	[claimed by seller or vendor]
Procore (AI Digital Coworker plans); US	Starter flat fee (3 projects, 5 agents); Pro/Enterprise credits, 20 agents, Agent Studio	Design-build firm cut submittal review from 1 week to 10 min (claimed)	[published price page]
State Bank of India (in-house); India	AI-driven lead gen; cheque automation; AI-assisted MSME underwriting	About ₹22,000 crore of business from analytics-driven leads (SBI chairman, Aug 2026; period not stated)	[claimed by company]
Vertice AI (ELGA Credit Union); US	Propensity-targeted auto loan campaign	$5.77M auto loans in 30 days (claimed)	[claimed by seller or vendor]
CUNA Strategic Services (Community Service CU); US	AI-powered personalised offers	Lending acquisition +25% (claimed)	[claimed by seller or vendor]
Finalytics (Utah Community CU); US	Personalised web journeys for loan applications	Applications +20% (claimed)	[claimed by seller or vendor]

Seller	Offer	Outcome stated	Evidence
BBVA Mexico (in-house GenAI conversation analytics); Mexico	Analyses 220,000+ monthly RM calls and 10-20k NPS surveys/day; auto-checks wealth-manager compliance	One of 1,127 AI use cases in production; RM pre-call summaries (company-reported)	[claimed by seller or vendor]
NH NongHyup Bank (AI Recommendation Assistant); South Korea	Push/LMS campaigns to AI-predicted high-propensity customers	IRP sign-up conversion +25 pts vs random control; e-Boss collateral loan executions 18x (reported)	[claimed by company]
KT Corporation x Woori Bank (agentic AICC); South Korea	Chatbot/consultation bot rebuild with Agent Connector; on-prem for network-segregation rules	Target AI coverage of service tasks from 30% to 60%; high-risk tasks phased to ~2028 (reported)	[claimed by company]
Backbase x African Banker (State of AI in African Banking 2026); Africa (37 countries)	277 senior leaders surveyed	50.2% cite legacy integration as main bottleneck; 85.1% of those measuring ROI met/exceeded projections; vendor-partnered banks measure ROI 71.7% vs 31% in-house (claimed; vendor-sponsored)	[claimed by seller or vendor]
Central Bank of Kenya AI survey (via African Exponent); Kenya	CBK March 2025 survey of banks, MFIs, digital lenders	~50% use AI; uses: credit risk 65%, cyber 54%, service 43%, e-KYC 41%; 70% no AI strategy (reported)	[independently reported]
Capitec Bank ("Pulse", in-house); South Africa	Predictive client context for agents	Handling time -18% (unverified; snippet of executive blog)	Unverified
Arise Gulf ("Dental Growth OS", Smile Care Dental, Mumbai); India / UAE	3-clinic Hindi/English WhatsApp automation; built in ~10 days	No-shows 38%→11%; Rs2.5L/month recovered; claims internally inconsistent, treat cautiously (claimed)	Unverified
PearlyAi (Hamilton, Ontario clinic); Canada	Week-one trial at a dental clinic	47 answered calls, 14 bookings in week one (unverified; LinkedIn snippet)	Unverified
Delphi (Matthew Hussey); US	Always-on "digital mind" trained on coach content	2.5M+ personalised conversations (claimed)	[claimed by seller or vendor]
Delphi (Jaden Bales); US	Clone answers client questions	600+ client questions answered; ~33% of new leads via Delphi (claimed; snippet)	Unverified

Seller	Offer	Outcome stated	Evidence
PhysicsWallah ("AI Guru", in-house); India	AI Guru with human-in-the-loop escalation on thumbs-down	100M+ questions solved; 2M+ answer sheets evaluated; 90% of queries solved by AI (company-claimed)	[claimed by seller or vendor]
Ringg x Policybazaar; India	Call every form-fill in <60 s; qualify; route top leads to RMs; on-prem data	57,000+ connected calls/day; 67% fully handled by AI; top 7% routed to RMs (claimed by Ringg)	[claimed by seller or vendor]
DaveAI x Maruti Suzuki (WhatsApp + GenAI assistant); India	Arena and Nexa WhatsApp assistants; 2026 GenAI assistant in 9 languages	4L+ users; 27L+ queries; 10k+ test-drive and 5k+ showroom bookings (claimed)	[claimed by seller or vendor]
Ominiflow (Pune multi-brand car dealer); India	CarDekho/OEM webhook → 2-min WhatsApp qualification, test-drive booking, exchange-photo flow	Test drives +42% in 10 weeks; show-up 62%→81%; deliveries +26% (claimed; client anonymous)	[claimed by seller or vendor]
Urban Company (in-house AI); India	AI chat agents for customers; voice agents for partner support; image audits	85% of customer queries resolved by AI chat agents; 55% of partner support via voice agents (company-reported; snippet)	Unverified
Naukri / Info Edge ("AI-Rex"); India	Agentic recruiting for enterprise customers	4,000+ enterprise customers and recruitment firms on AI-Rex; hiring mandates 3.7x Feb-Jun 2026 (company-reported, Info Edge release 6 Jul 2026; source could not be re-opened on 3 Nov 2026)	[claimed by company]
BHASHINI (MeitY); India	Language AI for government sites and apps	800+ government websites; 24M daily inferences (reported; snippet)	Unverified
Digital Green (FarmerChat V2); Kenya / Nigeria / Ethiopia / India	FarmerChat in 16 languages across 6 countries	Activation up (Kenya 37.7%→55.8%, Nigeria 44.8%→57.4%); 2M+ farmers; ~70% act on advice (self-reported)	[claimed by seller or vendor]
@ElevenLabs (Reception); US / UK	"Reception": SMB AI receptionist on ElevenAgents; answers calls, books jobs, texts confirmations, set up from	Launch (2026-09-16); commoditisation signal for DIY receptionist agencies	[claimed on x]
@BirdVein (GoHighLevel SaaS-mode bundle); n/a	Bundle for plumbers, roofers, dentists, landscapers	Claims an operator with 1,300+ clients (claimed)	[claimed on x]

Seller	Offer	Outcome stated	Evidence
@0chob (HVAC AI call answering); n/a	Google Maps prospecting (<60 reviews); "nobody picked up" opener	34 HVAC clients (claimed)	[claimed on x]
@andreysuperior (salon AI receptionist); n/a	Found via job vacancies; replaces a $3,000/mo hire	Also claims clinic replaced $4,000/mo sales manager; private voice agent $2,500/mo (X post could not be re-opened on 3 Nov 2026; claimed)	[claimed on x]
@NathanLatka (dental insurance AI company); US	Company selling AI for dental insurance	$9M ARR (claimed; company unnamed in note)	[claimed on x]
@ycombinator (PatientdeskAI; Toothy.ai); US	Inbound calls, booking, real-time insurance verification, claims; Toothy handles insurance calls	Replaces ~5 tools (claimed)	[claimed on x]
@legal_slice (law-firm AI referral share); n/a	AI-search referrals share of law-firm sessions	0.47% of sessions (claimed)	[claimed on x]
@starmexxx (AI agents for real estate agents); US	Solo founder building agents for real estate agents	~$1M/yr (claimed)	[claimed on x]
@usehandleai (Handle, insurance brokers); US	Agents plug into broker/carrier email and systems; documents to workflows	$6M seed led by a16z (claimed)	[claimed on x]
@thejoelwall (med spa AI SDR); n/a	Med spa lost 40% of leads to slow response	~$30k/month leak plugged (claimed)	[claimed on x]
@denohawari (SEO/AI-search agency); n/a	Ecom brand from 1,700 clicks/mo; clients want "fix + train team" not reports	$130,000 organic revenue in 5 months (claimed)	[claimed on x]
@UttarExplains / @smitshahs007 (ChatGPT Ads scale); India	ChatGPT Ads live in 60+ countries (OpenAI said 89 on 21 Oct 2026); India self-serve; expanding in Asia (Free & Go users)	$1B annualised run rate in <200 days (reported in post; unverified)	[claimed on x]
@irentdumpsters (ChatGPT Ads ROAS); US	Dumpster rental advertiser	$69,000 returned (~3.45x) (claimed)	[claimed on x]
@adamguild (Owner.com Grader "AI CMO for restaurants"); US	Grader by Owner.com	$1B+ sales driven for customers (claimed)	[claimed on x]

Seller	Offer	Outcome stated	Evidence
@geekwire (Meadow AI); US	Video, audio, labour data for retailers and restaurants	$7M seed (reported in post)	[claimed on x]
@CRudinschi (Industrial AI Summit); n/a	Acciona chemical-dosing prediction	$250,000+ saved per plant (claimed)	[claimed on x]
@mikenevermiss (Claude Code website agency); n/a	Scrapes Google Maps for businesses without websites	~47 clients/month (claimed)	[claimed on x]
@ventry089 (xAI voice for collections); n/a	xAI Voice Agent API	Collected $4,860 for $4.16 phone cost (claimed)	[claimed on x]
@Jacobsklug / @zackpaid (agent-work + AI ad agencies); n/a	Agents do work, humans review; AI ad creative across 100+ clients	$12M+ generated across 100+ clients (claimed)	[claimed on x]

> **How to use claimed outcomes.** Treat single-company outcomes as a hypothesis to test in a pilot, not a benchmark. Ask for the baseline, the time period, the sample and who measured it. Prefer sellers who will tie part of their fee to the result.

Part 5 · Notes and sources

Numbers in square brackets in Part 5 link to these sources.

1. Fiverr (via GlobeNewswire), "Businesses Race to Hire Claude Code Specialists As Demand Surges 938%", 9 Jun 2026 link [1147]
2. Goldman Sachs, "Small Businesses Embrace AI but Need Training and Support to Fully Harness It", 17 Mar 2026 link [1148]

Part 6

The outlook: *2026–27*

What the big forecasters expect, the author's ten calls for the next fifteen months, three scenarios with signposts, and what to watch in every country covered.

What the forecasters expect

Ten calls for 2026–27

Three scenarios for 2027

Country watch-list: what to expect next

6.1 · What the forecasters expect

The main public predictions for 2026–27 and beyond, as published.

Who	Prediction	
Gartner	Worldwide AI spending will reach $2.67T in 2026 (+49.5%) and $3.64T in 2027; AI-optimised servers bought by hyperscalers stay the single largest spend area.	source [5]
Gartner	By 2028, 90% of B2B purchasing will be handled by AI agents, pushing over $15T through agent exchanges.	source [108]
Gartner	By end of 2026, 'death by AI' legal claims will exceed 2,000.	source [108]
Gartner	By 2027, 35% of countries will be locked into region-specific (sovereign) AI platforms.	source [108]
Gartner	Through 2026, 50% of organisations will require 'AI-free' skills assessments because of critical-thinking atrophy.	source [108]
Gartner	70% of enterprises will abandon agentic AI built by vendor forward-deployed engineering by 2028.	source [97]
Gartner	60% of organisations that ignore data-governance culture challenges will fail to govern AI successfully by 2027.	source [1149]
Gartner	By 2030, AI will let most high-performing marketing teams eliminate the traditional bottom rungs of the corporate ladder.	source [1150]
Gartner	Over 40% of agentic AI projects will be cancelled by end-2027 due to unclear ROI, cost and weak risk controls.	source [1151]
IDC	AI infrastructure spending will hit $497B in 2026, $1.08T in 2029 and $1.21T in 2030.	source [8]
IDC FutureScape 2026	In 2026, 45% of AI-fuelled digital use cases in APJ will miss ROI targets; by 2027, 45% of AI apps will not get past PoC and 60% of organisations will manage multi-agent experiences (source could not be re-opened on 3 Nov 2026).	source [80]
McKinsey	39% of organisations expect AI-related headcount reductions in the next year (only 14% saw them in the past year); 60% plan to raise AI investment.	source [10]
BCG	AI agents' share of AI value will rise from 17% (2025) to 29% by 2028; future-built firms expect 2x the revenue uplift of others by 2028.	source [12]
WPP Media	Global ad revenue +8.9% in 2026 (excluding US political) to about $1.3T; social growth to slow to single digits from 2027 as AI chatbots compete for attention; WPP asks whether generative search could be the fastest channel to $100B.	source [60] source [59]

Who	Prediction	
Alphabet (CFO Anat Ashkenazi)	Capex will 'increase significantly' in 2027 after $195-205B in 2026.	source [35]
SK hynix	Memory demand will exceed supply through 2030. This is the company's own view, not a neutral forecast.	source [69]
IEA	Data centre electricity use will reach about 945 TWh by 2030 (from 415 TWh in 2024; source could not be re-opened on 3 Nov 2026).	source [71]
WEF	170M jobs created and 92M displaced between 2025 and 2030; 39% of core skills will change.	source [78]
European Commission	AI Act high-risk rules for Annex III uses apply from 2 Dec 2027 and for products from 2 Aug 2028 after the AI Omnibus.	source [87]

6.2 · Ten calls for 2026–27

These are the author's own judgements, built on the evidence in this report. *They are calls, not certainties.*

01 Spending beats the forecasts again, but the mix shifts.

Gartner has raised its 2026 number twice this year. Expect more upgrades. The faster-growing lines are software, agents, models and data, which grow two to eight times between 2025 and 2027 against twice for infrastructure. By late 2027 the conversation moves from chips to applications. Basis: Gartner segment forecasts; Alphabet guidance for 2027 capex.

02 AI answers become a paid media channel.

ChatGPT ads reached a $1bn annualised run-rate within about 200 days, OpenAI said in August (claimed), and Google is rolling out ads inside AI Mode answers across more markets. By the end of 2027, large advertisers will carry AI-assistant media as its own budget line, with its own measurement, alongside search and social. Basis: ChatGPT ads run-rate; Google Direct Offers tests; WPP Media outlook.

03 Labelling goes global.

The EU, China, India, Vietnam and Korea already require AI content to be marked. Expect most large markets to follow through consumer, election or advertising rules by 2027. Content credentials (C2PA) become a standard part of creative production. Basis: Part 4 regulation calendar.

04 Outcome pricing spreads from support to sales and marketing.

Per-resolution pricing started in customer service. It will move to lead handling, bookings and content, as buyers insist on paying for results and sellers find ways to meter them. Basis: Intercom and Salesforce pricing; practitioner signals.

05 An agent shake-out, then consolidation.

Gartner expects over 40% of agentic AI projects to be cancelled by the end of 2027. The survivors will be narrow agents with clear owners, clean data access and a measurable job. Horizontal platforms will absorb many point tools. Basis: Gartner predictions; McKinsey agent scaling data.

06 The entry-level squeeze becomes a policy issue.

With employment of young workers in AI-exposed jobs already 19% below trend in the US, governments and employers will face pressure to rebuild junior pathways: apprenticeships, AI-assisted training roles and hiring incentives. Basis: Stanford Digital Economy Lab; WEF Future of Jobs.

07 Open-weight models win the long tail. Enterprises stay multi-model.

Open-weight models already carry most tokens on marketplaces like OpenRouter. Enterprises will keep two or three model families in production and route work by cost and quality. Basis: Microsoft AI Diffusion; a16z CIO survey.

08 The small-business gap becomes the biggest services opportunity.

Large firms adopt at three to four times the rate of small ones. Governments from Singapore to the UK are funding small-business adoption. Packaged, local-language, WhatsApp-first services will capture much of this demand. Basis: Eurostat; IMDA; McKinsey.

09 Sovereign AI capacity comes online.

New national compute in the Gulf, India, Europe and East Asia will need local integrators, data work and local-language models. It will also bring procurement rules that favour local partners. Basis: Country chapters, Part 2.

10 A valuation correction is a real risk, but spending has momentum.

Circular deals, private-credit funding and the June 2026 sell-off show the fragility. Even so, multi-year capex commitments and cloud backlogs mean spending continues through 2027 in most scenarios. Basis: Company filings; IMF and Bank of England warnings.

6.3 · Three scenarios for 2027

Where the market could be by the end of 2027, with the author's rough probabilities and the signposts that would tell you which path you are on.

Scenario	Chance	What it looks like	Signposts to watch
Acceleration	**15%**	Agents work in production at scale; AI search ad formats grow fast; regulation stays light outside the EU; small-business adoption jumps with subsidies.	Upgrades to spending forecasts; McKinsey EBIT-impact share rises above 45%; agent cancellation rates fall.
Grind (base case)	**60%**	Spending keeps growing but value stays concentrated; adoption widens slowly; rules focus on transparency; services shift to outcome pricing.	EBIT-impact share stays in the 35–40% range; big integrators grow in low single digits; labelling rules spread.

Scenario	Chance	What it looks like	Signposts to watch
Correction	**25%**	A funding or credit shock slows data-centre building; valuations fall; buyers cut pilots and keep only proven use cases.	Capex guidance cuts; private-credit stress; sharp falls in AI equities; cloud backlog growth slows.

Signals in the 2 November update Opinion **.** For the grind case, US firm adoption rose to 24.6% for 5–18 Oct 2026 US Census Bureau[98], and the UK government's survey found business use doubled to 32% in a year GOV.UK[14]. For the correction case, Alphabet's 13% fall on 29 October and OpenAI's smaller funding target were both reported by the press (see Part 1, section 1.9), and SpaceX took on a GPU finance lease of about $40bn SEC 8-K[68]. Neither moves the weights decisively, but the correction signals are louder than in the data this edition was first built on.

> **What to do with the scenarios.** Plan for the base case and prepare for both tails. In practice: fund AI projects that pay back within twelve months, keep vendor contracts flexible, and build the data and governance foundations that pay off in every scenario.

6.4 · Country watch-list: what to expect next

The next dated or specific development to watch in each country, drawn from the country chapters in Part 2.

Country	What to watch
North America	
US	Colorado AG final rules for SB 26-189: comments closed on 26 Oct 2026, and no final rules had appeared by 2 November.; Whether the Census firm rate keeps rising from 24.6% (5–18 Oct 2026).; Q4 2026: FTC may finalise its AI accuracy/output-steering policy statement.
Canada	StatCan's CSBC (AI questions each second quarter) and, from 2027, the TechStat programme will show whether adoption keeps climbing from 19.2%.; Next Microsoft AI Diffusion report widens its measure; expected to raise measured AI use in almost all economies.
United Kingdom & Ireland	
UK	Late 2026 onward: CMA decision on Google user-choice (choice screen) conduct requirement after 23 Sept 2026 consultation; 2026-27: Sovereign AI Unit continues direct equity investments from its GBP 500m fund; To January 2027 (indicative): CMA initial information gathering in its case on Meta's commercial terms for businesses
Ireland	14 Oct 2026: International AI Summit in Ireland with the European Commission; 2 Dec 2026: Article 50(2) marking deadline for generative AI systems already on the market before 2 Aug 2026

Country	What to watch
European Union	
EU	2 Dec 2026: watermarking grace ends for legacy generative systems; nudifier ban applies.; Late 2026 at the earliest: decision on GDPR/ePrivacy changes in the data omnibus.
Germany	2026-27: watch for BNetzA to establish and operate at least one AI sandbox under the KI-MIG, in force since 29 Jul 2026.; 2026-29: Google's $6.4bn German data-centre programme runs.
France	2026-27: French law designating AI Act authorities expected to pass.; By 2030: Mistral Compute targets 1 GW of capacity across the EU.
Netherlands	2026-27: whether the AI Act supervision bill, still a draft, is sent to parliament.
Spain	2026-27: whether the government formed after the 29 Nov 2026 election tables the AI governance bill again (it lapsed on 6 Oct 2026); AESIA enforcement under Article 50.
Italy	Dec 2026: Eurostat's planned AI-use update offers a checkpoint on whether the 2025 doubling holds.
Denmark	2026-27: Danish authorities enforce Article 50 under Law 467, one of the earliest complete national set-ups (a broader AI bill, L 111, is reported to have lapsed; source could not be re-opened on 3 Nov 2026).
Finland	2026-27: possible Microsoft datacenter development in GigaVaasa (not committed on page reviewed).
Middle East	
UAE	6-7 Oct 2026: Ai Everything Abu Dhabi; expect government AI showcases and vendor deals.; 2026: first 200MW of Stargate UAE planned for delivery; the Microsoft/Khazna 200MW expansion expected to start coming online before year-end.
Saudi Arabia	Through Dec 2026: Year of AI programmes; expect more government AI launches and training milestones.; From 2026: Qualcomm-backed 200MW inference rollout planned; MIS contracted to build a HUMAIN data centre (MIS contract worth about USD 501m).
Qatar	2026-27 school year: AI and data science in school curricula.; 2026-27: Shura committee report on AI regulation. No AI-specific draft law has been proposed yet.
Israel	Post-Wiz: watch for recycling of exit capital into AI security and infrastructure start-ups.; Microsoft AI Diffusion quarterly: whether Israel's usage growth re-accelerates.
Turkey	Microsoft AI Diffusion quarterly: Türkiye rose from 14.6% (H2 2025) to 18.9% (Q2 2026); watch whether it pulls clear of the global average.
India & South Asia	

Country	What to watch
India	Nov 2026: DPDP consent-manager registration opens; watch whether MeitY notifies the 12-month SDF deadline; Dec 2026: watch IndiaAI GPU additions (a 100,000-GPU year-end goal appears only in secondary reports); ThePrint reported on 8 October that the first tender covered 5,000 GPUs and contracts for 3,000 GPUs had been issued the previous week (reported); 27 Nov 2026: comments close on TRAI's draft AI guidelines for telecoms, as reported by Digit
Pakistan	Watch implementation of the 2,000 MW AI/crypto power allocation under IMF conditions; Generative AI use among the working-age population likely to keep rising from 11.9% but remain below the global average, given Q2 2026 growth of 0.5 points per quarter
Bangladesh	Watch whether Parliament enacts the Personal Data Protection Ordinance 2025 as an Act (the cyber ordinance is already the Cyber Security Act 2026; Parliament passed the Cyber Security (amendment) Bill, 2026 on 30 June 2026); Microsoft's estimate of AI use among working-age people rose only 0.2 points in Q2 2026 to 8.0%, a usage level shared with eight East African economies; expect slow diffusion without connectivity and language gains
Sri Lanka	Watch the new commencement date for PDPA core obligations after the Oct 2025 amendment; AI use grew 0.3 points in Q2 2026; expect gradual gains
Greater China	
China	Nov 2026 (expected): next CAC bi-monthly filing bulletin; registrations of apps that call filed models now outpace new model filings.; H2 2026: enforcement of companion-AI rules (in force 15 Jul 2026) and standards/protocol work under the May 2026 AI-agent opinions.
Hong Kong	H2 2026: Hong Kong AI Research and Development Institute starts operating.; 2026-27: the Government takes forward its seven-aspect AI risk-governance strategy, with a new Commissioner for AI assisting bureaux.
Taiwan	Q4 2026: TSMC guidance of US$52.3-54.3bn, after Q3 revenue of about US$46.7bn (above guidance).; Full-year 2026: Foxconn expects AI server rack shipments to more than double (claimed).
Japan & South Korea	
Japan	2026: SB OAI Japan's exclusive Crystal intelligence rollout to Japanese enterprises; FY2026: about JPY 390 billion planned for Noetora and other entities, with total government support expected to reach about JPY 1 trillion over five years; practical physical-AI applications targeted for 2030
South Korea	From about January 2027: AI Basic Act fines may start to apply once the grace period of at least one year ends (korea.kr, 21 Jan 2026); Microsoft's next diffusion updates will show whether Korea's run of the largest gain among major economies (three periods to Q2 2026) continues
Southeast Asia (ASEAN)	

Country	What to watch
Singapore	Oct 2026: Anthropic office expected to open; expect more ASEAN go-to-market teams based in Singapore.; From 30 Sep 2026: EDGE replaces PSG, EDG and MRA. Expect vendors to repackage AI offers to the new S$30,000 digital-solution cap.
Indonesia	By end-2026: AI presidential regulation and 2026-2029 roadmap expected (reported); watch for risk tiers and labelling duties.; Nov 2026: DEFA signing could ease cross-border data flows, which Indonesia's localisation rules currently limit.
Malaysia	Dec 2026: AI Governance Bill drafting to complete; tabling in 2027 possible.; 2026-27: AI Safety Institute starts evaluations and red-teaming.
Thailand	2026-27: draft AI law moves through cabinet and parliament; labelling duties likely to affect ads.; 2026-2028: Microsoft's US$1bn programme plus Google and AWS regions increase local AI capacity.
Vietnam	Late 2026: implementing decrees for the AI Law and strategy (watch MOST notices).; Mar 2027 and Sep 2027: transition deadlines for existing AI systems.
Philippines	Nov 2026: DEFA signing targeted during the Philippines' ASEAN chairmanship; watch for AI and data-flow commitments.; 2026-27: AI bills may advance in the new Congress; no timeline verified.
Australia & New Zealand	
Australia	Nov 2026: Senate data-centre inquiry reports (16 Nov).; 10 Dec 2026: ADM transparency duty commences; Children's Online Privacy Code registered. Expect OAIC final ADM guidance before then.
New Zealand	Working-age generative-AI use likely to keep rising on the observed Microsoft trend (37.6% H1 2025, 40.5% H2 2025, 43.0% Q1 2026, 44.1% Q2 2026); observed trend, not a forecast.
Latin America	
Brazil	4 and 25 Oct 2026 elections; new President and Congress from 2027; after the October 2026 elections, PL 2338 work resumes, with no date set for the committee report; Senate re-vote if amended
Mexico	Sep 2026 onwards: USMCA negotiating rounds, with annual reviews already under way; 2026-27: constitutional reform on AI powers, then General AI Law (no date)
Argentina	Q4 2026: whether the Senate produces a committee report on Super RIGI; 2026-27 companies-law debate
Chile	AWS Chile region in 2026; Executive's substitute text for the AI bill (promised before 4 Dec 2026), then the Senate committee report
Colombia	New government's digital/AI agenda from Aug 2026; AI bill re-scoped or restarted
Africa	

Country	What to watch
Nigeria	From August 2026: NCC AI notification and consumer-disclosure rules due to apply, subject to possible postponement; 31 March 2027: NDPA compliance audit returns due for Extra-High and Ultra-High registrants established before 12 June 2023 (later ones first file within 15 months)
Kenya	Late 2026: final AI and Other Emerging Technologies Policy expected after the draft's published submission deadline of 4 August 2026; 2026-27: Senate progress on AI Bill 2026 (No. 4)
South Africa	Nov 2026: revised National AI Policy due at Cabinet; public comment targeted for January 2027; 2026-27: Equinix Cape Town legal challenge and data-centre moratorium calls
Egypt	2026-27: OECD-backed national AI strategy work; 2026-27: data-centre and 5G expansion under the Sept 2026 presidential directive
Morocco	2026-27: parliamentary progress on the AI use law (No. 396) and the national AI governance agency bill; 2026-27: JAZARI network rollout and sovereign AI marketplace

Part 7

Playbooks: *what to do next*

Practical plans for five kinds of reader: what to do in the next 90 days, the moves for the next twelve months, the numbers to track, the questions to ask and the red flags to avoid.

CMOs and marketing leaders

CEOs and boards

Founders and SMB owners

Investors

Agencies and service providers

7.1 · CMOs and marketing leaders

Marketing gets the biggest share of AI budgets and the clearest returns. *It also faces the biggest channel shift since mobile.*

50–70%
of generative AI budgets go to sales and marketing (MIT; source could not be re-opened on 3 Nov 2026)

37%
see revenue gains from AI in marketing and sales

1%
of visits in which users clicked a source inside an AI Overview

In the next 90 days

1. **Audit how AI describes you.** Ask ChatGPT, Gemini, Perplexity and Google AI Mode the questions your buyers ask. Log where you appear, what they say and which sources they cite.
2. **Fix the sources AI reads.** Update your own pages, product data, reviews and listings. Make facts, prices and policies clear and consistent everywhere.
3. **Label your AI content.** Add labels and content credentials to AI images, video and voice, starting with EU and Asian markets.
4. **Pick two use cases with a number attached.** Lead response time, content cost per asset, or cost per qualified lead. Run them for 60 days against a baseline.

Moves for the next 12 months

- Build an AI-search visibility programme with quarterly measurement, like SEO a decade ago.
- Decide a robots.txt policy for the shared AI-training opt-out that Google and OpenAI backed on 30 October, separate from search and answer visibility.
- Test AI-assistant ad formats (ChatGPT ads, ads in AI Mode) with a small, ring-fenced budget and clear incrementality tests. In the US, Google says click-through rates on sponsored product listings in AI Mode are already similar to organic ones (company data).
- Make your catalogue and offers agent-ready: structured product data, prices, stock and policies that AI shopping agents can read. Checkout inside Google's AI Mode and Gemini and inside Meta's Muse agent is already live in the US. Where an assistant offers checkout, stay seller of record and start with a narrow range.
- Move creative production to an AI-assisted studio model with brand, legal and labelling checks built in.
- Retrain the team. Junior roles change first; give them AI-assisted craft, not just tools.

Numbers to track

Metric	Why it matters	Aim
Share of AI answers that mention your brand	Your visibility in the new discovery layer	Up
Accuracy of AI answers about you	Wrong prices or features cost sales	Up
Speed to first response on leads	The easiest AI win to measure	Down

Metric	Why it matters	Aim
Content cost per asset	Shows production gains	Down
Referral traffic from AI assistants	Small today, growing monthly	Up

Questions to ask

- Which AI assistants and markets do you measure, and how often?
- Can you show a baseline and a control group for the results you claim?
- How do you handle labelling, consent and brand safety?
- What happens to our data and prompts?

> **Red flags.** • Promises of guaranteed rankings or citations in AI answers. • Results shown without a baseline or time period. • AI content published without human review in regulated categories.

7.2 · CEOs and boards

Almost every company uses AI. Only about a third see it in profit. *The board's job is to close that gap without betting the company.*

89%
of organisations use AI

37%
see any EBIT impact

73% vs 25%
high performers vs others that redesigned workflows

In the next 90 days

1. **Ask for value, not usage.** Request a list of AI initiatives with owner, cost, target metric and date. Stop anything without a metric.
2. **Pick three workflows to redesign end to end.** Choose high-volume, rules-heavy processes: customer service, sales follow-up, finance operations.
3. **Set up light governance.** An AI register, a named owner, a policy on data and labelling, and an incident process.
4. **Map your 2026–27 compliance dates.** Use Part 4. Most firms face at least one of the EU, US-state, India or Australia deadlines. Telecom operators in India should prepare for board-approved AI policies and incident reporting under TRAI's draft guidelines of 30 October; comments are due on 27 November, as reported by Digit.

Moves for the next 12 months

- Fund AI through business units with P&L targets, not a central innovation budget.
- Decide buy, partner or build per use case. Partnered deployments reach production about twice as often.
- Reset workforce plans: fewer entry-level hires in some roles, more training and new AI-operator roles.

- Review vendor concentration and data rights across model providers.
- Have the CIO and CISO pin and verify IDE extensions and rotate AI provider keys held in platform environment variables. A trojanised Claude Code extension was live in Cursor's marketplace for about 11 hours on 29 October (Cursor; Microsoft).
- Keep agent spending approvals out of any inbox the agent can read. In a Cornell Tech and Yale test, nine of 10 frontier models raised their own spending caps using codes sent by email, as reported by CoinDesk.
- Report AI value to the board quarterly, like any other investment programme.

Numbers to track

Metric	Why it matters	Aim
EBIT or cost impact from AI initiatives	The only number that matters in the end	Up
Share of AI pilots in production	Shows execution, not experiments	Up
Cycle time of redesigned workflows	Where the value comes from	Down
AI incidents and complaints	Early warning of risk	Down
Share of staff trained	Adoption depends on skills	Up

Questions to ask

- Which three workflows will AI change most in our business, and what is the value at stake?
- What would we stop doing if AI works?
- Where are we exposed to AI rules in the next 15 months?
- What is our plan if AI costs rise or a vendor fails?

> **Red flags.** • A long list of pilots with no production dates. • AI spend reported without outcomes. • No named owner for AI risk.

7.3 · Founders and SMB owners

Small firms adopt AI at a third of the rate of large ones. *That gap is your risk and your opportunity.*

17%
of small EU firms use AI, vs 55% of large firms

76%
of small businesses in Goldman Sachs' 10,000 Small Businesses programme use some AI (survey of 1,256, early 2026) [1148]

14%
of small businesses in Goldman Sachs' 10,000 Small Businesses programme have AI fully in core operations (Mar 2026) [1148]

In the next 90 days

1. **Start where money leaks.** Missed calls, slow replies to enquiries, no-shows and unpaid invoices. AI agents fix these fast.

2. **Use tools you already have.** Most CRM, accounting, e-commerce and messaging tools now include AI. Switch it on before buying new tools.
3. **Keep a human on anything that touches money, health or legal risk.**
4. **Check for grants.** Singapore, Malaysia, the UK and others subsidise AI adoption for small firms.

Moves for the next 12 months

- Build a WhatsApp or web assistant that answers, books and follows up in your customers' languages.
- Get found in AI answers: complete your Google profile, reviews and website facts.
- Automate the back office: invoices, reconciliations, reports.
- Train your team for an hour a week. Skills beat tools.
- Pay for outcomes where you can: per booking, per resolved query, per lead.

Numbers to track

Metric	Why it matters	Aim
Enquiries answered within five minutes	Speed wins sales	Up
Missed calls and no-shows	Direct revenue leak	Down
Hours spent on admin per week	Time back for the business	Down
Cost per booking or sale	Shows AI pays	Down

Questions to ask

- What will this cost per month at our volume, including usage?
- Can I see it working for a business like mine?
- Who fixes it when it breaks?
- Can I cancel easily and keep my data?

> **Red flags.** • Long contracts before a trial. • No way to hand over to a human. • Claims of results with no customer you can call.

7.4 · Investors

The capital is concentrated in infrastructure and a few model labs. *The next wave of returns will come from turning usage into profit.*

$344.7bn
private AI investment in 2025

83%
of it in the US

$576bn
AI services spend in 2026 (Gartner)

In the next 90 days

1. **Stress-test infrastructure exposure.** Check power, financing and customer concentration behind data-centre and chip positions.

2. **Look for the value layer.** Services and application companies with outcome pricing and repeatable workflows.
3. **Check claims.** Ask portfolio companies for production metrics, not pilot counts.

Moves for the next 12 months

- Back vertical AI in regulated sectors where compliance is a moat: health, financial services, public sector.
- Follow sovereign AI programmes: they create local demand for integrators, data work and local-language models.
- Watch the small-business layer: packaged, low-touch AI for the mid-market and small firms.
- Prepare for volatility: the June 2026 sell-off showed how quickly sentiment can turn. Alphabet's fall of about 13% on 29 October was its steepest one-day drop since 2004, as reported by WJLA/TNND.
- Add lease-financed GPU commitments and model makers' filings to the leverage watch list, such as SpaceX's GPU finance lease of about $40bn (8-K) and Anthropic's S-1.

Numbers to track

Metric	Why it matters	Aim
Net revenue retention of AI products	Shows real value to customers	Up
Gross margin after inference costs	Token costs can erase margins	Up
Share of revenue on outcome pricing	Aligns with where buyers are going	Up
Customer concentration	Risk in infrastructure plays	Down

Questions to ask

- What share of customers are in production, not pilots?
- How does margin change as usage grows?
- What happens if a model provider changes prices or terms?
- Which rules could change the business model by 2027?

> **Red flags.** • Revenue that depends on one model provider's pricing. • Growth from pilots that never convert. • Circular deals that inflate demand.

7.5 · Agencies and service providers

Clients want results, not hours. *The agencies that productise, specialise and price on outcomes will take the share the big integrators are losing.*

321
AI service offers catalogued in 34 countries

66% vs 33%
success rate: partnered vs internal builds (MIT NANDA; source could not be re-opened on 3 Nov 2026)

+5%
Accenture revenue growth, FY26, local currency [1]

In the next 90 days

1. **Pick a niche and an outcome.** One industry, one measurable result, one clear price.
2. **Productise your first offer.** A fixed-scope audit or pilot with a price, a timeline and a success metric.
3. **Build compliance in.** Labelling, consent and disclosure are now part of the deliverable.
4. **Measure everything.** Baselines, control groups and case studies with numbers you can defend.

Moves for the next 12 months

- Move from hourly billing to setup plus retainer, then to shared outcomes.
- Add AI-search visibility and agentic-commerce readiness to marketing services.
- Specialise by country and language. The price gap between markets for similar work is often three to ten times.
- Partner with platforms and model providers for credits and co-selling.
- Invest in delivery tooling so margins survive falling prices.

Numbers to track

Metric	Why it matters	Aim
Share of revenue from productised offers	Scalability	Up
Client results with a baseline	Proof that wins deals	Up
Gross margin per offer	Survives price pressure	Up
Time from sale to first result	Speed builds trust	Down

Questions to ask

- What does the client measure today, and what will change?
- Who owns the data and the prompts?
- What is the minimum volume for outcome pricing to work?
- How will you handle a model change mid-project?

> **Red flags.** • Selling tools instead of outcomes. • Offers every competitor has, like a basic AI receptionist, with no differentiation. • Case studies without numbers.

> These playbooks are general guidance based on the evidence in this report. They are not legal, financial or investment advice.

Part 7 · Notes and sources

Most figures in the playbooks are sourced where the full text gives them. Numbers in square brackets in Part 7 link to these sources.

1. Goldman Sachs, "Small Businesses Embrace AI but Need Training and Support to Fully Harness It", 17 Mar 2026 link [1148]

2. Accenture, Q4 and full-year FY26 earnings release, 1 Oct 2026 link [1]

Appendix: *the data*

The full data behind the report: a dashboard for every country, the readiness index, the complete services catalogue and practitioner signals, a glossary and notes on the data.

A. Country dashboard

B. AI readiness index, 165 countries

C. The services catalogue: all 321 cases

D. Practitioner signals: all 221 posts

E. Glossary

F. Data notes

Appendix A. Country dashboard

A · Country dashboard

Key comparable measures for every country covered. Business adoption figures use national definitions and are not strictly comparable.

Country	Region	AI use	Rank /147	IMF AIPI	Firms using AI (official all-firm rates)	Private AI inv. 2025	Internet use, % of people (World Bank)
US	NAM	33.0%	21	0.77	24.6% (Oct 2026)	$285.9bn	95% (2024)
Canada	NAM	38.5%	16	0.71	19.2% (2026)	$4.3bn	94% (2024)
UK	UKI	43.7%	8	0.73	35% (2026, 10+ staff)	$5.9bn	95% (2024)
Ireland	UKI	49.9%	3	0.69	20% (2025)	–	97% (2024)
Germany	EUR	32.3%	23	0.75	26% (2025)	$3.9bn	93% (2024)
France	EUR	49.6%	4	0.70	18% (2025)	$4.4bn	89% (2024)
Netherlands	EUR	43.5%	9	0.77	33% (2025)	–	97% (2024)
Spain	EUR	45.1%	6	0.65	20% (2025)	–	96% (2024)
Italy	EUR	31.4%	26	0.62	16% (2025)	–	89% (2024)
Sweden	EUR	37.3%	17	0.75	35% (2025)	$1.0bn	96% (2025)
Denmark	EUR	32.4%	22	0.78	42% (2025)	–	100% (2024)
Finland	EUR	30.6%	30	0.76	38% (2025)	–	94% (2024)
Poland	EUR	32.3%	24	0.60	8% (2025)	–	89% (2024)
UAE	MEA	73.3%	1	0.63	–	–	100% (2024)
Saudi Arabia	MEA	31.4%	25	0.58	–	$2.0bn	100% (2024)
Qatar	MEA	43.5%	10	0.53	–	–	98% (2024)
Israel	MEA	38.7%	15	0.73	–	$3.6bn	88% (2024)

Country	Region	AI use	Rank /147	IMF AIPI	Firms using AI (official all-firm rates)	Private AI inv. 2025	Internet use, % of people (World Bank)
Turkey	MEA	18.9%	62	0.54	7.4% (2025)	–	90% (2025)
India	SAS	18.5%	64	0.49	–	$4.1bn	70% (2025)
Pakistan	SAS	11.9%	91	0.37	–	–	57% (2024)
Bangladesh	SAS	8.0%	128	0.38	–	–	53% (2024)
Sri Lanka	SAS	7.6%	139	0.44	–	–	55% (2024)
China	GCH	17.5%	67	0.64	–	$12.4bn	92% (2025)
Hong Kong	GCH	–	–	0.70	–	–	96% (2024)
Taiwan	GCH	33.8%	19	–	–	–	–
Japan	JKR	24.7%	45	0.73	86% (2025)	$1.1bn	86% (2024)
South Korea	JKR	40.6%	12	0.73	–	$1.8bn	98% (2024)
Singapore	SEA	64.3%	2	0.80	62% (2024, non-SMEs)	$1.8bn	94% (2024)
Indonesia	SEA	14.8%	76	0.52	–	–	73% (2024)
Malaysia	SEA	22.6%	51	0.63	–	–	98% (2024)
Thailand	SEA	13.4%	83	0.54	18% (2024)	–	91% (2024)
Vietnam	SEA	27.9%	33	0.48	–	–	84% (2024)
Philippines	SEA	20.7%	56	0.50	15%	–	67% (2024)
Australia	OCE	40.7%	11	0.73	12% (2025)	$2.5bn	96% (2024)
New Zealand	OCE	44.1%	7	0.75	–	–	94% (2024)
Brazil	LAT	20.2%	58	0.50	17% (2025)	–	84% (2024)
Mexico	LAT	21.4%	55	0.53	–	–	83% (2024)
Argentina	LAT	23.4%	49	0.47	–	–	90% (2024)
Chile	LAT	24.0%	47	0.59	–	–	96% (2024)

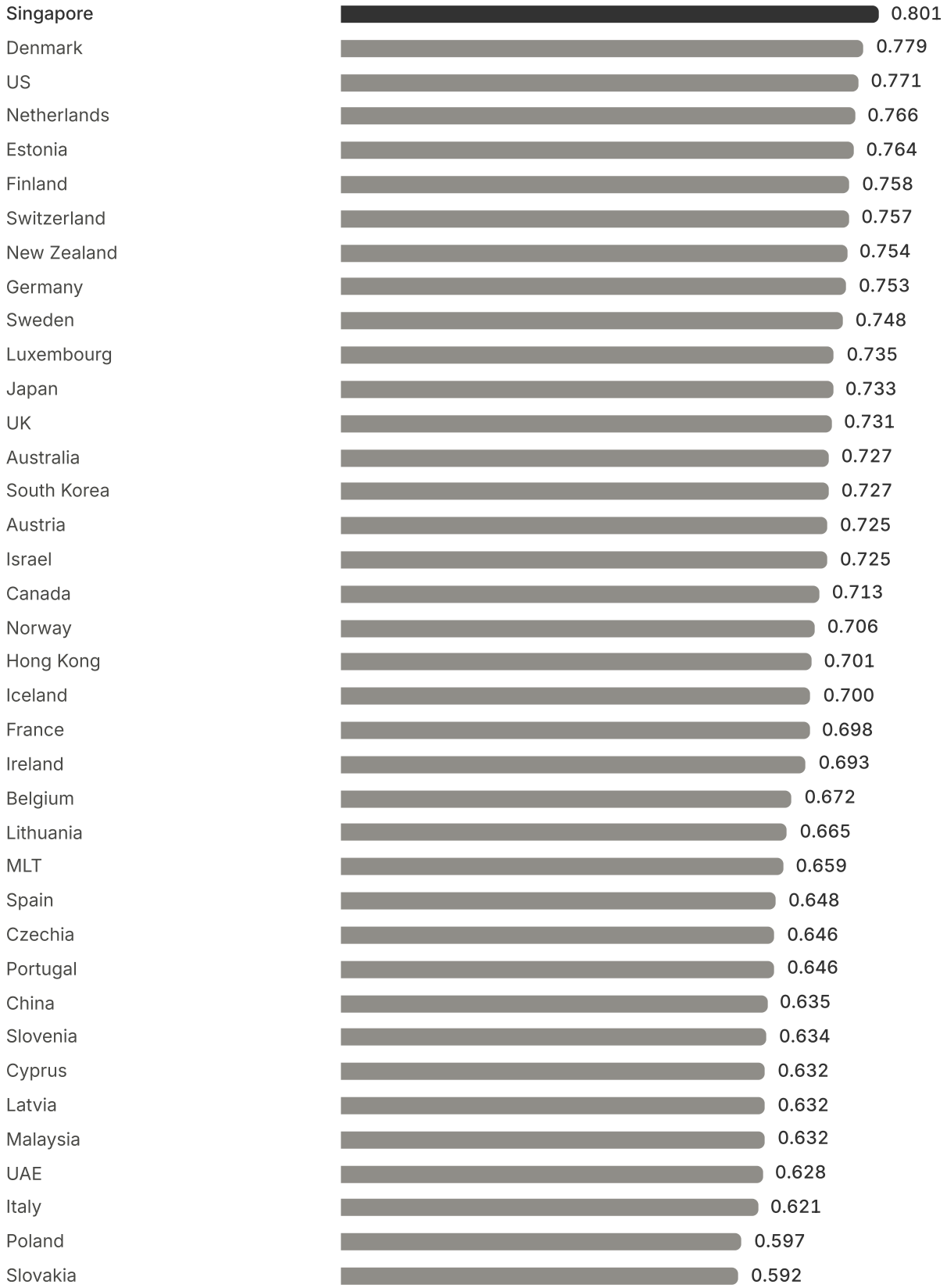
Country	Region	AI use	Rank /147	IMF AIPI	Firms using AI (official all-firm rates)	Private AI inv. 2025	Internet use, % of people (World Bank)
Colombia	LAT	25.9%	39	0.49	–	–	79% (2024)
Nigeria	AFR	10.4%	106	0.34	–	–	41% (2024)
Kenya	AFR	8.9%	125	0.45	–	–	35% (2024)
South Africa	AFR	23.9%	48	0.50	–	–	78% (2024)
Egypt	AFR	15.5%	73	0.39	–	–	75% (2024)
Morocco	AFR	12.0%	90	0.43	–	–	91% (2024)

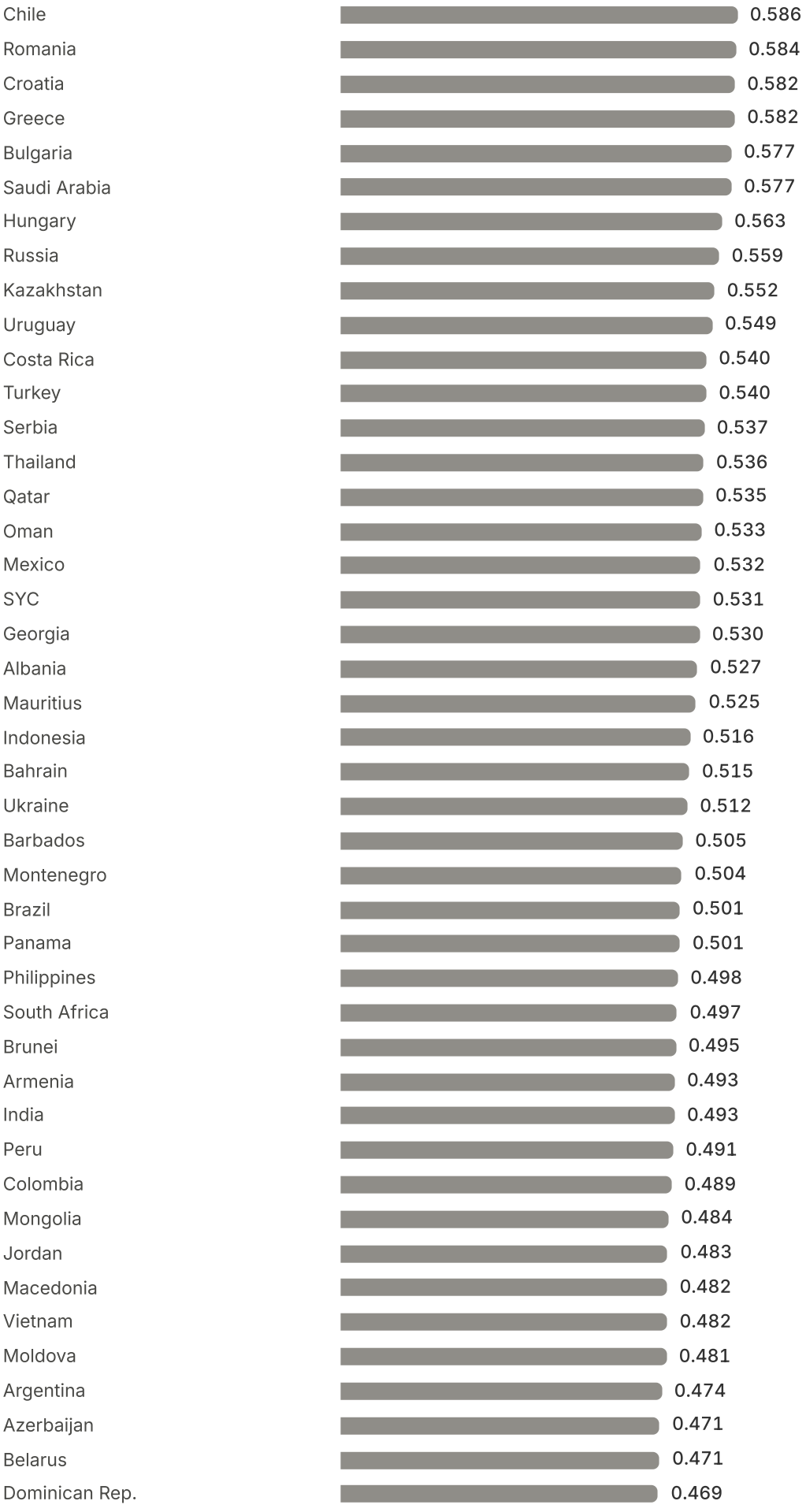
Sources: AI use and rank of 147 economies, Microsoft AI Economy Institute Q2 2026; IMF AI Preparedness Index (2023 data); private investment, Stanford AI Index 2026; firms using AI, official statistics as cited in each country chapter (official all-firm rates only; vendor and narrow surveys are in the country chapters, shown here as –); internet use, World Bank (IT.NET.USER.ZS), share of people online, latest year.

Appendix B. AI readiness index, 165 countries

B · AI readiness index, 165 countries

Exhibit 8.1: IMF AI Preparedness Index, all countries (0–1)

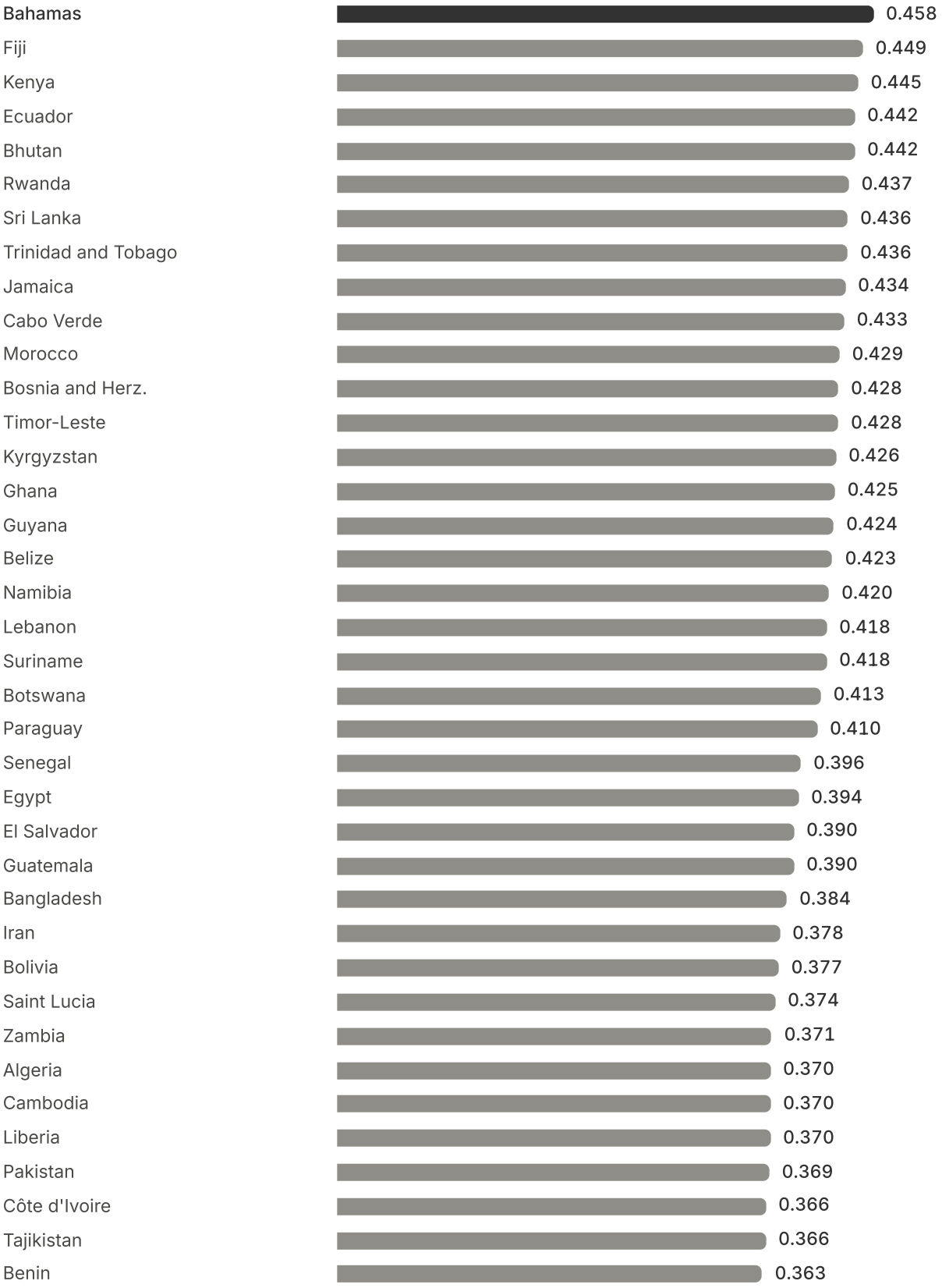


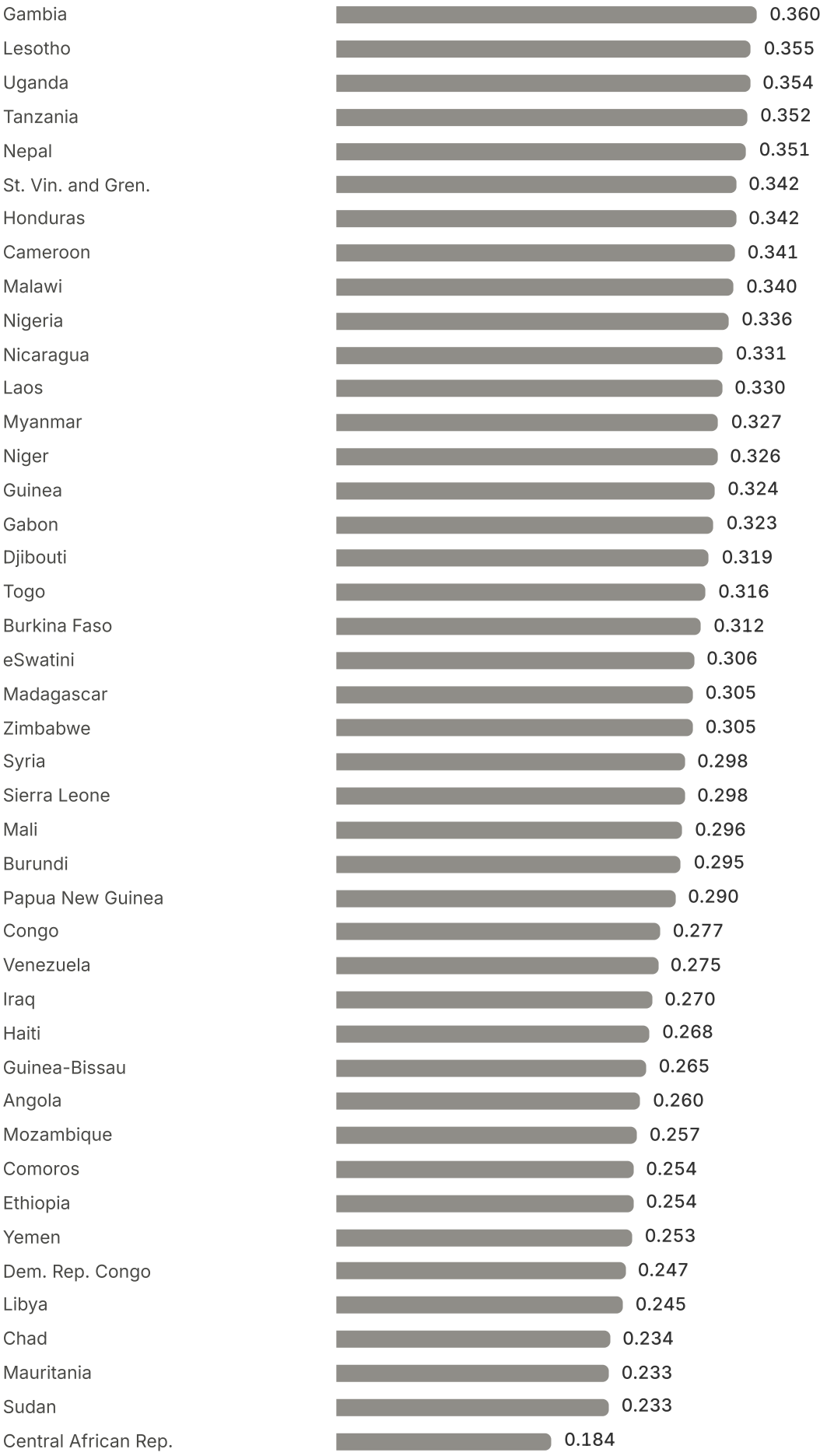

Chile 0.586
Romania 0.584
Croatia 0.582
Greece 0.582
Bulgaria 0.577
Saudi Arabia 0.577
Hungary 0.563
Russia 0.559
Kazakhstan 0.552
Uruguay 0.549
Costa Rica 0.540
Turkey 0.540
Serbia 0.537
Thailand 0.536
Qatar 0.535
Oman 0.533
Mexico 0.532
SYC 0.531
Georgia 0.530
Albania 0.527
Mauritius 0.525
Indonesia 0.516
Bahrain 0.515
Ukraine 0.512
Barbados 0.505
Montenegro 0.504
Brazil 0.501
Panama 0.501
Philippines 0.498
South Africa 0.497
Brunei 0.495
Armenia 0.493
India 0.493
Peru 0.491
Colombia 0.489
Mongolia 0.484
Jordan 0.483
Macedonia 0.482
Vietnam 0.482
Moldova 0.481
Argentina 0.474
Azerbaijan 0.471
Belarus 0.471
Dominican Rep. 0.469



Source: IMF DataMapper, AI Preparedness Index (Apr 2024 release, 2023 data).

Exhibit 8.2: IMF AI Preparedness Index, continued




Gambia 0.360
Lesotho 0.355
Uganda 0.354
Tanzania 0.352
Nepal 0.351
St. Vin. and Gren. 0.342
Honduras 0.342
Cameroon 0.341
Malawi 0.340
Nigeria 0.336
Nicaragua 0.331
Laos 0.330
Myanmar 0.327
Niger 0.326
Guinea 0.324
Gabon 0.323
Djibouti 0.319
Togo 0.316
Burkina Faso 0.312
eSwatini 0.306
Madagascar 0.305
Zimbabwe 0.305
Syria 0.298
Sierra Leone 0.298
Mali 0.296
Burundi 0.295
Papua New Guinea 0.290
Congo 0.277
Venezuela 0.275
Iraq 0.270
Haiti 0.268
Guinea-Bissau 0.265
Angola 0.260
Mozambique 0.257
Comoros 0.254
Ethiopia 0.254
Yemen 0.253
Dem. Rep. Congo 0.247
Libya 0.245
Chad 0.234
Mauritania 0.233
Sudan 0.233
Central African Rep. 0.184

Source: IMF DataMapper, AI Preparedness Index.

Appendix C. The services catalogue: all 321 cases

C · The services catalogue: all 321 cases

Every AI service offer and deployment logged for this report, grouped by category. Evidence labels: Reported independently reported or published price; Secondary benchmark or secondary source; Claimed seller, vendor or poster claim; Unverified could not be re-checked.

Voice agents & receptionists (64)

Seller	Offer	Price	Evidence
Valory / Aussie AI Agency / Leva / AI Cartel; Australia · Home services	AI receptionist subscriptions link [1152] link 2 [1153]	A$149-697/mo; setup A$0-4,000	Reported
Karmaflow (Ottawa General Contractors); Canada · Construction	Website/phone concierge qualifies renovation leads and gives price ranges link [1154]	Not disclosed	Claimed
PearlyAi (Hamilton, Ontario clinic); Canada · Dental	Week-one trial at a dental clinic link [1155]	Not disclosed	Unverified
Salon AI receptionist roundup (Futuro); Global · Beauty / wellness	Tiered SaaS link [1156]	$14-200/mo	Secondary
White-label voice AI agencies (benchmark); Global · Home services	Reception / qualification / outbound tiers link [1157]	$250-1,500/mo + $1-2.5K setup	Secondary
Agentnity / Mio / Haptik; India · Education / edtech	Qualification, counsellor handoff, fee reminders link [1158]	Builds ₹3-15L; ₹6-12/min run cost (benchmark)	Secondary
Edesy; India · Recruiting / HR	Usage-based voice screening link [1159]	From $0.04/min	Reported
Hellodesk; India · Healthcare / clinics	24×7 calls in 7 Indian languages; books appointments link [1160]	From ₹1,999/mo	Reported
PhysicsWallah ("AI Guru", in-house); India · Education / edtech	AI Guru with human-in-the-loop escalation on thumbs-down link [1161]	–	Claimed
Ringg x Policybazaar; India · Insurance	Call every form-fill in <60 s; qualify; route top leads to RMs; on-prem data link [1162]	Not disclosed	Claimed
Sprio / DueDoor / Realto / Overton; India · Real estate	Replies to 99acres/MagicBricks leads in seconds link [1163]	Mostly not public	Claimed

Seller	Offer	Price	Evidence
Swiggy x Sarvam (voice commerce); India · Restaurants	Order food/groceries by phone call without the app link [1164]	–	Unverified
Tenori Labs (Alliance University); India · Education / edtech	Admissions calling link [1165]	–	Claimed
Tenori Labs (KL University); India · Education / edtech	Counselling show-ups link [1166]	–	Claimed
Urban Company (in-house AI); India · Home services	AI chat agents for customers; voice agents for partner support; image audits link [1167]	–	Unverified
Virtuo / Caller Digital (India voice index); India · Cross-industry (platforms, benchmarks)	INR per-minute and per-outcome link [1168]	≈₹6–26/min ($0.07–0.31/min platforms); ₹8–25 per outcome; ₹9 per connected call (quote example)	Secondary
avatarin x Yamada Denki; Japan · Retail	24/7 multilingual in-store AI agent for electronics retail link [1169]	Not disclosed	Claimed
BBVA Mexico (in-house GenAI conversation analytics); Mexico · Banking / fintech	Analyses 220,000+ monthly RM calls and 10-20k NPS surveys/day; auto-checks wealth-manager compliance link [1170]	–	Claimed
Piton Global (benchmark) / Edesy; Philippines · Cross-industry (enterprise)	Agentic AI in BPO; outcome/hybrid billing; AI voice from $0.04/min link [1171] link 2 [1172] link 3 [1173]	Seats $12-18/hr fully loaded; AI voice from $0.04/min; "AI trainer" reframe billing $35/hr (claimed)	Secondary
Shoprite / Checkers Sixty60 ("Pixie"); South Africa · Retail	Pixie predicts next basket for Xtra Savings Plus members; text, voice, image link [1174]	n/a (membership feature)	Claimed
Alice Labs; Sweden · Banking / fintech	Implementation-first AI agency (EU AI Act/GDPR native); Nordic-language models link [1175]	Pricing bands (not captured)	Claimed
ZTABS; UAE / Saudi Arabia · Hospitality / travel	Voice agent development Dubai; agent development Riyadh link [1176] link 2 [1177]	Bilingual voice AED 180,000-300,000; multilingual enterprise AED 400k-1.2M	Claimed

Seller	Offer	Price	Evidence
Bristol City Council (ICS.AI); UK · Government / public sector	760,000 calls / 120 advisors context link [1178]	–	Claimed
Team-Connect; UK · Dental	AI phone answering for a dental surgery link [1179]	–	Claimed
@newonpolsia (AI-receptionist micro-brand flood); UK / India / Italy / Nigeria / Greece · Home services	15+ posts/day of micro-brands (RookRinger, Callwisp, etc.) for HVAC, plumbing, dental link [1180] link 2 [1181]	"One saved job pays for the month"	Claimed
@RealToddRaw (AI phone systems for trades); US · Construction	Installed AI phone systems (maxsaisolutions) link [1182]	–	Claimed
@ycombinator (PatientdeskAI; Toothy.ai); US · Dental	Inbound calls, booking, real-time insurance verification, claims; Toothy handles insurance calls link [1183] link 2 [1184]	Not stated	Claimed
Alpenglow AI; US · Home services	Clarity Audit; Build & Run; Missed-Call Text-Back link [1185]	$750 audit; $1,200 setup + $250/mo per system; $750 one-time text-back	Reported
Arini; US · Dental	Sales-led AI receptionist link [1186]	Not published (demo-based quote)	Reported
B2B outbound benchmark (39 offers); US · SaaS / B2B tech	Email, LinkedIn, phone programmes; per-meeting tiers link [1187]	$150/mo tool to $12-15K/mo; typical managed $1-6K/mo	Secondary
ConverzAI (Integrity Staffing); US · Recruiting / HR	AI recruiter link [1188]	–	Claimed
Dentalbase; US · Dental	AI receptionist for dental practices link [1189]	–	Claimed
Faribai (AI + human ISA team); US · Real estate	Hybrid ISA link [1190]	–	Claimed
HighLevel ('AI Employee'); US · SMB cross-industry	Resold by agencies to SMBs link [1191]	$20 / $50 / $97 per sub-account/mo (rebilling on the $497 agency plan)	Reported

Seller	Offer	Price	Evidence
Leadlock / ScaleVoice / Flai (dealer service voice); US · Automotive dealerships	Per-minute or per-booked-appointment link [1192]	$0.12-0.33/min all-in (Leadlock and comparison platforms)	Claimed
Loman AI; US · Restaurants	Custom quotes link [1193]	From ~$199/mo (reported; custom)	Reported
Mia (Earnhardt Chevrolet); US · Automotive dealerships	Inbound/outbound dealer calls link [1194]	–	Claimed
Prestyj (AI ISA pricing); US · Real estate	AI vs human ISA link [1195]	No stable public benchmark (the cited page no longer shows figures)	Claimed
RenewalEngineAI (Pacific Agency Group); US · Insurance	Renewal voice/outreach link [1196]	–	Claimed
Restaurant AI phone roundup (pxlpeak); US · Restaurants	Flat vs per-minute vs per-order link [1197]	Flat plans ~$100-600/mo	Secondary
Retell AI; US · Cross-industry (platforms, benchmarks)	Usage-based link [1198]	$0.07/min platform; all-in ~$0.11-0.31/min	Unverified
Retell AI agency playbook; US · Legal	Flat per agent, per outcome, usage + retainer link [1199]	$297-997/mo typical client price; law-firm intake $2.5-5K/mo + per case	Claimed
ServiceTitan AI Voice Agent; US · Home services	Usage-based link [1200]	$2.75 per connected call (reported)	Claimed
ShortLoop (Toyota San Luis Obispo); US · Automotive dealerships	Appointment capture link [1201]	–	Claimed
Slang AI; US · Restaurants	Core / Premium per location link [1202]	$399 / $599 per location/mo	Reported
Smith.ai; US · Legal	Per-call AI receptionist plans link [1203]	Free 25 calls; $150/mo (75 calls); $500/mo (300 calls); humans from $300/mo	Reported
Sonant; US · Insurance	Custom partner-rate model link [1204]	Not published	Claimed
SuperMIA (Media Brite Smile); US · Dental	AI receptionist for a dental practice link [1205]	–	Claimed

Seller	Offer	Price	Evidence
Vapi; US · Cross-industry (platforms, benchmarks)	Usage-based link [1206]	$0.05/min hosting; all-in ~$0.13-0.31/min	Claimed
inletAP / Zerentry / BILL / Mindsprint; US / India · Cross-industry (enterprise)	Invoice capture, approvals, ERP sync link [1207]	$0-249/mo SMB; managed agentic AP custom	Claimed
@ElevenLabs (Reception); US / UK · Cross-industry (platforms, benchmarks)	"Reception": SMB AI receptionist on ElevenAgents; answers calls, books jobs, texts confirmations, set up from website link [1208]	Not stated in post	Claimed
@0chob (HVAC AI call answering); n/a · Home services	Google Maps prospecting (<60 reviews); "nobody picked up" opener link [1209]	$649/month	Claimed
@andreysuperior (salon AI receptionist); n/a · Beauty / wellness	Found via job vacancies; replaces a $3,000/mo hire link [1210] link 2 [1211] link 3 [1212]	$399/month	Claimed
@BirdVein (GoHighLevel SaaS-mode bundle); n/a · Home services	Bundle for plumbers, roofers, dentists, landscapers link [1213] link 2 [1214]	$297/month; 34 clients = ~$10k/mo	Claimed
@heypartharora (clinic AI receptionist pilots); n/a · Healthcare / clinics	Pitch to 7 healthcare clinics: lost patient revenue + up to 15% monthly cost saving; 2-week pilots link [1215] link 2 [1216]	–	Claimed
@iamdanyalbhatti (voice AI compliance); n/a · Healthcare / clinics	Avoid rushing enterprise healthcare/insurance voice sales without privacy/security/compliance link [1217]	–	Claimed
@lukepierceops (coaching AI-agency founders); n/a · Coaching / creators	7 calls/day with people starting/growing AI agencies; "first $10K/month" content link [1218] link 2 [1219]	–	Claimed
@recap_david (dentist after-hours voice agent); n/a · Dental	Practice losing $6,000+/mo (20-25 new patients) to missed calls link [1220]	"$24,000/yr" deal	Claimed
@Saboo_Shubham_ (open-source Hindi claim voice agent); n/a · Insurance	Live avatar; handles Hindi mid-call link [1221]	Open source	Claimed
@Sunshine_Mom22 (receptionist backlash); n/a · Healthcare / clinics	Dermatology office AI receptionist failed to understand callback context link [1222]	–	Claimed

Seller	Offer	Price	Evidence
@ventry089 (xAI voice for collections); n/a · SMB cross-industry	xAI Voice Agent API link [1223]	~$0.08/min	Claimed
CreativeComplete (Only Tourism); n/a · Hospitality / travel	Custom build link [1224]	–	Claimed
BookingBee (Riudi Salon); n/a · Beauty / wellness	Voice booking link [1225]	–	Claimed
BookingBee (Salon Sora, Meevo); n/a · Beauty / wellness	Voice booking link [1226]	–	Claimed

Workflow & back-office automation (49)

Seller	Offer	Price	Evidence
Nubank (in-house, nuFormer + support agents); Brazil / Mexico / Colombia · Banking / fintech	Evaluation-driven support agents at ~100M-user scale link [1227] link 2 [1228]	–	Unverified
Shopify WebMCP checkout; Canada · Ecommerce / D2C	get/update/complete_checkout link [1229]	–	Reported
Egypt freelancer (r/EgyRemoteWorkers); Egypt · SMB cross-industry	Setup + monthly maintenance link [1230]	~EGP 8,000 setup + monthly (search snippet; unverified)	Unverified
@Kamil_Svetra (n8n for coaches and agents); France (unverified) · Coaching / creators	Reminders, doc sending, follow-ups, sheet updates; keep human conversations link [1231]	–	Claimed
digitalisierung-direkt; Germany · SMB cross-industry	Fixed packages; example 30-50 staff firm link [1232]	Automation €4,900-18,000 + €89-799/mo; agents €6,900-28,000 + €149-1,490/mo; example €32,000 + €890/mo	Reported
stakk.agency; Germany · Manufacturing	KI-Automatisierung projects link [1233]	€5,000-50,000 per project; simple €5-10k setup	Secondary
Synera (IMS Gear); Germany · Manufacturing	Engineering RFQ agent link [1234]	–	Claimed

Seller	Offer	Price	Evidence
Arna Softech; India · Manufacturing	End-to-end RFQ automation link [1235]	–	Claimed
LeadSquared; India · Education / edtech	CRM-native agents link [1236]	Not public	Claimed
OYO / Prism (in-house AI agents); India · Hospitality / travel	AI agent for end-to-end hotel operations announced Sep 2026 link [1237]	–	Unverified
Sufalam Technologies; India · Hospitality / travel	Custom build link [1238]	–	Claimed
The Bear House; India · Ecommerce / D2C	Shopping agent link [1239]	–	Claimed
Kynex Agency; Kenya · SMB cross-industry	Enterprise AI automation link [1240]	From ~KES 250,000 per project	Claimed
CleverTech AI; Netherlands · SMB cross-industry	Basic / advanced agent link [1241]	€2,500 setup + €350/mo; €4,500 + €500/mo	Reported
Crux Digits; Netherlands · SMB cross-industry	Audit / production MVP / production link [1242]	Audit €2,500; MVP €20,000; production from €50,000; beheer €500/mo (max 8 clients)	Reported
FlowSync; Netherlands · SMB cross-industry	First trajectory; continuous improvement link [1243]	€2,500-7,500 one-off; beheer from €40/mo; CI from €1,000/mo	Reported
Searchlab; Netherlands · SMB cross-industry	AI agents build link [1244]	€2,500-15,000 + €500-2,500/mo; notes NL AI bureaus tripled 2025-26 (claimed)	Secondary
UnifyAI; Netherlands · SMB cross-industry	First AI agent; AI discovery; AI adoption; hosting link [1245]	Agent €750; discovery from €1,000; adoption from €3,000; hosting from €49/mo	Reported
Korvax AI / Bilytica / Lucidya / Mozn; Saudi Arabia · Government / public sector	Sovereign/Arabic AI with SDAIA/NDMO compliance and data residency link [1246] link 2 [1247]	Not public	Secondary
Capitec Bank ("Pulse", in-house); South Africa · Banking / fintech	Predictive client context for agents link [1248]	–	Unverified

Seller	Offer	Price	Evidence
Flux Technology; UK · Cross-industry (enterprise)	Agent Programme (2 senior eng days/wk); Agent Build link [1249]	£15,000/mo (3-mo min); Agent Build £18-28k	Unverified
Fracas Digital; UK · SMB cross-industry	Maintained AI agent retainers; custom builds link [1250]	£1,200-4,500/mo retainer; £5,000-30,000 builds; UK ~15-25% below US	Secondary
Leeds PI firm (via ADAI newsletter); UK · Legal	After-hours intake agent link [1251]	–	Claimed
My AskAI (baby-textiles brand on Gorgias); UK · Ecommerce / D2C	AI support on Gorgias/Shopify link [1252]	–	Claimed
Tesco (in-house); UK · Retail	AI triage of supplier and customer email queries; Clubcard personalisation (25M members) link [1253]	–	Reported
twohundred.ai; UK · SMB cross-industry	Managed AI automation operator tiers (1-2 systems/quarter) link [1254]	£1,600-8,000 build; £2,000-5,000/mo managed	Secondary
@NikhaarShah (Serhant "Dot"); US · Real estate	Ryan Serhant launched "Dot" ($45M raised, per post) link [1255]	–	Claimed
@starmexxx (AI agents for real estate agents); US · Real estate	Solo founder building agents for real estate agents link [1256]	$5,000-10,000/month per client	Claimed
@usehandleai (Handle, insurance brokers); US · Insurance	Agents plug into broker/carrier email and systems; documents to workflows link [1257] link 2 [1258]	–	Claimed
AI Adoption Agency; US · SMB cross-industry	Starter deliverable; Growth retainer; Enterprise link [1259]	$998 one-off; $2,998/mo	Reported
C.H. Robinson (in-house, LangChain); US · Logistics	In-house agents link [1260]	n/a (in-house)	Claimed

Seller	Offer	Price	Evidence
Course-taught 'AI agency' offers (Operators AI newsletter); US · SMB cross-industry	Typical packages sold to SMBs link [1261]	AI employee $500-1,500/mo + setup (platform cost ~$0.05-0.09/min); agent teams $5-15K; AI OS $25-60K	Unverified
Dental AI x-ray pricing guide (Pearl, Overjet, others); US · Dental	Per-seat / per-scan / per-location pricing models link [1262] link 2 [1263]	Mostly custom quotes (per guide)	Secondary
Distyl AI; US · Cross-industry (enterprise)	Embedded engineers + Distillery platform link [1264]	Not public	Claimed
Drumkit; US · Logistics	SaaS link [1265]	–	Claimed
Gorgias (Orthofeet); US · Ecommerce / D2C	Gorgias AI Agent link [1266]	–	Claimed
Marketing Titan; US · Marketing / brands (cross-industry)	CRM, SEO, social, ads agents link [1267]	From $99/mo	Reported
Prometheus Consulting; US · SMB cross-industry	Tier 1-3 agent builds; paid pilot first link [1268]	Quoted per project (prices not published)	Claimed
SuperDupr; US · SMB cross-industry	Starter automation / Growth / Ops platform link [1269]	$2.5-7.5K + $300-800/mo; $7.5-25K; $25-75K+	Secondary
Swift Headway AI; US · Insurance	Illustrative scenario (modelled, not a client): AI renewal triage for an insurance agency link [1270]	–	Claimed
US Tech Automations; US · Insurance	Quote automation link [1271]	–	Claimed
Veeva (agentic MLR); US · Pharma / life sciences	Agentic AI in Vault PromoMats link [1272]	Not public	Claimed
Intercom Fin; US / Ireland · SaaS / B2B tech	Outcome-priced support agent link [30]	$0.99 per outcome	Reported
Accenture (AI Refinery; Accenture Song); US/Global · Marketing / brands (cross-industry)	AI Refinery marketing agents; Marketing Investment Navigator (unified measurement, 2026) link [1273] link 2 [1274]	Custom (enterprise)	Claimed

Seller	Offer	Price	Evidence
Microsoft Copilot Studio; US/Global · Cross-industry (enterprise)	Copilot Credits for agents link [1275]	$200 per 25,000 credits pack; PAYG	Reported
Omnicom (Omni + IPG/Acxiom); US/Global · Marketing / brands (cross-industry)	Agent-to-agent media deals via Omni link [1276]	Not public	Reported
AXI Studio (freight broker client); n/a · Logistics	Custom build link [1277]	–	Claimed
Deburise; n/a · Healthcare / clinics	Custom build link [1278]	–	Claimed
Zipprr (contractor quote intake); n/a · Construction	Automated intake and first acknowledgment for contractor quotes link [1279]	Not disclosed	Claimed

WhatsApp / chat agents & commerce (45)

Seller	Offer	Price	Evidence
Nexo / GPT Maker / Zenvia (via Nexo roundup); Brazil · SMB cross-industry	Self-service & implemented WhatsApp agents link [1280] link 2 [1281]	Self-service R$69-800/mo; Nexo implemented from R$497/mo; Zenvia R$3,900+/mo; per-response R$0.05-0.38	Secondary
Struere (Chile boutique hotel WhatsApp agent); Chile · Hospitality / travel	24/7 WhatsApp reservation agent after losing ~30% of after-midnight enquiries link [1282]	Not disclosed	Unverified
Subduxion (European construction firm); Europe (country unverified) · Construction	Estimator copilot for quotes link [1283]	Not disclosed	Claimed
AI Agency Calculator (guide); Global · Cross-industry (platforms, benchmarks)	Chatbot / CRM-integrated agent / autonomous agent link [1284]	$3.5-8K; $15-35K; $35-100K+; retainer 15-20% of build per month	Secondary
Gupshup (Forrester TEI, commissioned by Meta); Global · Cross-industry (platforms, benchmarks)	Composite-org TEI of Gupshup on WhatsApp link [1285]	–	Claimed

Seller	Offer	Price	Evidence
@deepak_s90 (India WhatsApp restaurant ordering); India · Restaurants	Order direct from repeat restaurants to bypass platform fees link [1286]	–	Claimed
AgentIQ; India · SMB cross-industry	DFY WhatsApp AI chatbot service link [1287]	Setup ₹15K-5L by complexity; ₹3K-25K/mo retainers (market bands on page)	Claimed
Botsense (12 Indore clinics); India · Healthcare / clinics	WhatsApp reminders/booking link [1288]	–	Claimed
DaveAI x Maruti Suzuki (WhatsApp + GenAI assistant); India · Automotive dealerships	Arena and Nexa WhatsApp assistants; 2026 GenAI assistant in 9 languages link [1289] link 2 [1290]	Not disclosed	Claimed
Go4whatsup (Urban Thread Retail, 12 stores Delhi NCR); India · Retail	AI assistant for catalogue, orders, support across 12 stores link [1291]	Not disclosed	Claimed
Gupshup (Schneider Electric India "Koko 2.0"); India · Manufacturing	Distributors/retailers photograph handwritten orders; OCR builds cart link [1292]	Not disclosed	Claimed
Gupshup (Wow! Momo); India · Restaurants	Direct ordering on WhatsApp to cut aggregator dependence link [1293]	Not disclosed	Claimed
Gupshup x Treebo (Meta Business Agent); India · Hospitality / travel	First enterprise Meta Business Agent on WhatsApp across 800+ hotels link [1294]	Not disclosed	Claimed
Innovatrix / Expansio / Brainguru / Hendoi; India · SMB cross-industry	FAQ bot / Shopify-integrated / full RAG agent link [1295]	₹15K / ₹50K-1.5L / ₹2-5L build; ₹8-18K/mo management; ₹35K discovery sprint	Secondary
Kisan e-Mitra (PM-KISAN); India · Agriculture	Government chatbot link [1296] link 2 [1297]	–	Reported
Ominiflow (Pune multi-brand car dealer); India · Automotive dealerships	CarDekho/OEM webhook → 2-min WhatsApp qualification, test-drive booking, exchange-photo flow link [1298]	Rs59,988/year platform + ~Rs8,400/month Meta fees (claimed)	Claimed

Seller	Offer	Price	Evidence
PaddyMitra (IRRI, Odisha pilot); India · Agriculture	Precision advisories link [1299]	–	Claimed
Reliance Retail WhatsApp smartbot (SBO); India · Retail	WhatsApp smart bot for store customers: offers, reactivation link [1300]	Not disclosed	Claimed
Sphyx; India · Healthcare / clinics	Booking, reminders, follow-ups link [1301]	–	Claimed
TunerLabs (Karnataka building-materials maker); India · Construction	Agents over ERP + WhatsApp dealer chats (confidential client) link [1302]	Not disclosed	Claimed
Arise Gulf ("Dental Growth OS", Smile Care Dental, Mumbai); India / UAE · Dental	3-clinic Hindi/English WhatsApp automation; built in ~10 days link [1303]	Rs24,999/month all-in (~Rs8,333 per clinic) (claimed)	Unverified
Sahut / Nadi / UMKMate / Alat WA; Indonesia · SMB cross-industry	WhatsApp AI CS bots in Bahasa link [779] link 2 [1304] link 3 [1305]	Rp 35,000-1,500,000/mo (~US$2-90); Nadi from Rp 249,000/mo	Reported
Flowcart (Uncover Skincare); Kenya / Nigeria · Beauty / wellness	Skin quiz, segmentation, abandoned-cart recovery on WhatsApp link [1306]	Not disclosed	Claimed
Virtom / Vesvir / ADD; Mexico / Colombia · SMB cross-industry	WhatsApp agent subscriptions; enterprise implementations link [1307] link 2 [1308] link 3 [1309]	MXN 1,490-2,000/mo basic; MXN 2,500-18,000/mo pro; setup MXN 15,000-120,000; Colombia projects COP 1.4-15M	Claimed
Runnr.ai (Hotel de Sterrenberg); Netherlands · Hospitality / travel	Guest comms + upsell link [1310]	–	Claimed
Runnr.ai (The Edwin Hotel); Netherlands · Hospitality / travel	Guest communication automation link [1311]	–	Claimed
African AI automation agencies (via AfroTools/Siteti); Nigeria / Kenya · SMB cross-industry	Custom AI automation builds; WhatsApp BSP link [1312] link 2 [1313]	Builds from ~NGN 550,000 (Nigeria), ~KES 80,000 (Kenya); BSP US$49-159/mo	Unverified

Seller	Offer	Price	Evidence
University of the Punjab (admission chatbot); Pakistan · Education / edtech	In-house/launch link [1314]	–	Claimed
useLines / AIShohab / automation-ksa; Saudi Arabia · SMB cross-industry	Starter / mid / enterprise packages link [1315]	SAR 1,999-3,150 starter; SAR 3,500-7,999 mid; enterprise SAR 80-400K; retainers SAR 499-15,000/mo	Reported
Vyrwork / ADSM Tech / Innovatrix SG; Singapore · SMB cross-industry	Fixed-price automations; chatbot builds link [1316]	From S$2,000 fixed; typical builds S$5-25K; up to S$50K+	Reported
QuantumBerry AI / Ezemind / AI Automated Solutions; South Africa · SMB cross-industry	AI audits, single-workflow agents, retainers link [1317] link 2 [1318] link 3 [1319]	Audit from ~R7,500; single-workflow agent R25,000-45,000; retainers R1,500-12,000/mo; subscriptions from R2,500/mo	Claimed
Klarna (in-house, OpenAI); Sweden · Banking / fintech	AI handled most chats; later re-added humans link [1320]	n/a (in-house)	Reported
Atlio; UAE · SMB cross-industry	Fixed-price chatbot builds + optimisation retainer link [1321]	AED 4,000-22,500 build (WhatsApp/CRM AED 6,000-12,500); retainer from AED 1,750/mo	Secondary
ICS.AI (Renfrewshire Council); UK · Government / public sector	3-year AI transformation programme link [1322]	£5m+ programme	Claimed
Inverclyde Council ('Clyde'); UK · Government / public sector	Council chatbot link [1323]	–	Reported
Westminster City Council (Microsoft); UK · Government / public sector	Copilot Studio chatbots link [1324]	–	Claimed
Japeto Labs (Brazil government project); UK / Brazil · Government / public sector	RAG chatbot + evaluation link [1325]	–	Claimed

Seller	Offer	Price	Evidence
7-Eleven, Inc. (in-house, Databricks); US · Retail	Campaign concept + copywriter agents with supervisor and human review (LangGraph/Databricks) link [1326]	–	Claimed
Canary Technologies (Holiday Inn Express Orlando); US · Hospitality / travel	Hotel guest messaging link [1327]	–	Claimed
Classet; US · Recruiting / HR	Screening + scheduling link [1328]	Hiring Hub from $249/mo (annual) or $349/mo; ATS Sync from $1,995/mo	Claimed
Murphy Consulting; US · SMB cross-industry	"Practical AI bot" productized offer link [1329]	$1,500 fixed	Claimed
TollBit; US · Media / publishing	Bot monitoring + pay-per-crawl link [1330]	Usage-based (not captured)	Claimed
@AIEcomHQ (governed systems; SaaS replacement; value pricing); n/a · SMB cross-industry	Generic chatbot agencies fail in 90 days; agencies bleed $2,000-4,500/mo in seats; $1,500 productised vs $300 hourly link [1331] link 2 [1332] link 3 [1333]	$2,000-4,500/mo seat spend cited	Claimed
@CodeByPoonam (LinkedIn Hiring Assistant); n/a · Recruiting / HR	Breakdown of LinkedIn Hiring Assistant replacing juggling of ATS/CRM/sourcing tools link [1334]	–	Claimed
RedAI / itsohoa / NIE.vn; Vietnam · SMB cross-industry	Packaged AI agent + Zalo OA chatbot tiers link [823] link 2 [1335]	VND 3.49-5.99M/mo starter; 8.5-12.99M/mo standard; 25M+/mo pro (~US$135-1,000); setup VND 3-10M	Reported

Training, strategy & governance (30)

Seller	Offer	Price	Evidence
Deloitte Australia (AI-assisted report refund); Australia · Government / public sector	Government report link [1336]	A$440K report; partial refund	Reported

Seller	Offer	Price	Evidence
Square AI; Australia · Home services	AI Business Assessment; AI Receptionist; Tradie Admin Autopilot; AML/CTF AI Sprint link [1337]	Assessment A$2,500 (credited); receptionist A$2,500 + A$349/mo; AML sprint A$4,500; market: self-serve A$99-149/mo, managed A$699-1,299/mo, SME builds A$2.5-20k	Reported
Prozessmeister; Germany · SMB cross-industry	Monthly AI agent packages; AI phone assistant; chatbot; workshop link [1338]	€199/mo (3 agents) to €999/mo + €1,990 setup; chatbot from €1,500+€99/mo; 1-day workshop from €990	Reported
Big Four (Deloitte Zora AI, PwC agent OS, EY.ai); Global · Cross-industry (enterprise)	Platform bundled into multi-year engagements link [1339]	Six figures to multi-million (third-party estimate; not published)	Unverified
BeatRoute / 1Channel / Sharpsell (building-materials dealer SFA); India · Construction	AI SFA, dealer apps, sales enablement for channel sales link [1340] link 2 [1341] link 3 [1342]	Subscription (not disclosed)	Claimed
Farmonaut; India · Agriculture	Subscription tiers link [1343]	From $4.99/mo (Mini) to $949.99/mo (Elite)	Reported
KissanAI (Dhenu); India · Agriculture	API + enterprise bundles link [1344]	$0.06-0.10 per call; Dhenu Engage ~₹1.99L/mo for 50k conversations (third-party estimate, unverified)	Unverified
Sagepilot x Treebo (staff training); India · Hospitality / travel	Daily micro-training in 12+ Indian languages; internal SOP agent for CX link [1345]	Not disclosed	Claimed
Synaptic AI Lab / AM Legals; India · Banking / fintech	AI risk assessments, ISO 42001 readiness, DPDP/RBI/SEBI/IRDAI-aligned policies link [1346]	Custom	Claimed
TagMango (Mango AI, Mango Studio); India · Coaching / creators	AI tools for course creators launched Aug 2026 link [1347] link 2 [1348]	Plans on pricing page (not captured)	Unverified
Digital Green (FarmerChat V2); Kenya / Nigeria / Ethiopia / India · Agriculture	FarmerChat in 16 languages across 6 countries link [1349]	Free to farmers (donor-funded)	Claimed

Seller	Offer	Price	Evidence
Embed AI / 99 Francs / Ez-AI / Build With Billy; New Zealand · SMB cross-industry	Builds + support; MBIE AI Advisory Pilot co-funding link [1350]	Workflow NZ$5-25K; agents NZ$2.5-25K; support NZ$100-450/mo; retainers NZ$500-8,000/mo; MBIE 50% up to NZ$15K	Secondary
AIKI AS; Norway · Automotive dealerships	AI strategy to implementation link [1351]	Not public	Claimed
KT Corporation x Woori Bank (agentic AICC); South Korea · Banking / fintech	Chatbot/consultation bot rebuild with Agent Connector; on-prem for network-segregation rules link [1352]	Not disclosed	Claimed
Summum IA; Spain · Cross-industry (platforms, benchmarks)	Compliance packages link [1353]	–	Claimed
Node Nordic; Sweden · SMB cross-industry	AI konsult services link [1354]	Not public	Unverified
DVNC.ae; UAE · SMB cross-industry	AI Readiness Sprint (credited) → Agent Build → Managed AI Ops link [1355]	Sprint AED 18,000 (2 wks); build from AED 90,000 (4-10 wks); ops monthly (3-mo min)	Reported
Bambino Agency; UK · Marketing / brands (cross-industry)	Team AI workshops, 30-day follow-up link [1356]	£1,500/day (up to 12 people)	Reported
@OpenAI (Astra for Law); US · Legal	"Astra for Law" for lawyers and legal-tech firms; 26 partner + 47 community legal plugins in ChatGPT (per post) link [1357]	Not stated	Claimed
Clarkston Consulting; US · Pharma / life sciences	Consulting build link [1358]	Not public	Claimed
EKB Labs (Elliott Johnson, Fiverr AI consultant); US · SMB cross-industry	Fiverr AI builds (quoted in Fiverr release) link [1359]	–	Reported
EPC Group / Vigilant; US · Cross-industry (enterprise)	Readiness, pilot, deployment, managed service link [1360]	$15-250K projects; $3.5-15K/mo managed	Secondary
Fractional CAIO market (HireAFractionalExec, others); US · Cross-industry (enterprise)	Advisory / operator / transformation tiers link [1361] link 2 [1362]	$5,000-30,000/mo typical; advisory $8-15k, operator $15-25k, transformation $25-35k	Secondary

Seller	Offer	Price	Evidence
High Caliber AI; US · Cross-industry (enterprise)	Enterprise workshop programmes link [1363]	$50-150K enterprise programmes	Claimed
ISO 42001 consultancies (Truvo, others); US · Cross-industry (enterprise)	Readiness + certification link [1364]	$20-55K first year (small orgs); $85-150K (mid-size); audit $3-50K+	Secondary
U of Digital; US · Marketing / brands (cross-industry)	AI Accelerator link [1365]	$675-975 per seat	Reported
AI Automation Society Plus (Skool); US/Global · SMB cross-industry	Paid community link [1366]	$129/mo	Claimed
Maker School / Nick Saraev; US/Global · SMB cross-industry	"First AI automation client in 90 days"; analysis of 900+ closed deals ($2k vs $20k driven by closeness to revenue) link [1367] link 2 [1368]	Community fee (not captured); advises 10-20% of value created (claimed)	Claimed
Morningside AI / Liam Ottley (AAA Accelerator, Skool); US/Global · SMB cross-industry	"$5,000 Claude Code AIOS" fly-out install; retainers link [1369] link 2 [1370] link 3 [1371]	$5,000 install; $2,500-5,000/mo retainers (per video summaries); free Skool hub	Claimed
@coreyganim (150-person manufacturer); n/a · Manufacturing	Manufacturer with 6-person AI task force and 15 Claude Team seats link [1372]	–	Claimed

Other (26)

Seller	Offer	Price	Evidence
Spellbook / goHeather / LegalOn; Canada / US · Legal	Word-based review and redlining link [1373]	$49-99/mo tools; custom in-tenant builds $25-50K	Secondary
@monikahalan (IRDAI mis-selling context); India · Insurance	Insurance driven by distribution commissions/mis-selling link [1374]	–	Claimed
@symplicured (ClinicOS); India · Healthcare / clinics	ClinicOS AI front desk with doctor testimonial link [1375]	–	Claimed
BHASHINI (MeitY); India · Government / public sector	Language AI for government sites and apps link [1376]	Free / DPI	Unverified

Seller	Offer	Price	Evidence
Jobdrive; India · Recruiting / HR	Screening tiers link [1377]	₹4,999/mo tier	Reported
Meesho (in-house); India · Ecommerce / D2C	In-house AI stack link [1378]	–	Claimed
Accenture (advanced AI bookings); Ireland / US · Cross-industry (enterprise)	Advanced AI bookings (last disclosed quarter) link [1379]	$2.2B bookings in Q1 FY26 (reported)	Reported
Lawson (GenAI-conceived products); Japan · Retail	Desserts/bakery items conceived with generative AI, launched Sep 2026 link [1380] link 2 [1381]	–	Unverified
Enterprise Singapore (EDGE grant); Singapore · SMB cross-industry	EDGE replaces PSG/EDG/MRA from 30 Sep 2026 link [739]	Up to S$100k/yr; up to S$30k single-function digital solutions; up to 50-70% support	Reported
ICS.AI (Pembrokeshire County Council); UK · Government / public sector	4-year agreement link [1382]	Up to £4.95m	Reported
S4 Capital / Monks; UK/Global · Marketing / brands (cross-industry)	Targets 25% of revenue from subscriptions by end-2026; most new business outcome/subscription (reported) link [1383] link 2 [1384]	Not public	Reported
@adamguild (Owner.com Grader "AI CMO for restaurants"); US · Restaurants	Grader by Owner.com link [1385]	–	Claimed
@jobsbygeorge (Harmony AI FDEs); US · Manufacturing	FDEs living in US factories deploying AI on the floor link [1386]	–	Claimed
@NathanLatka (dental insurance AI company); US · Dental	Company selling AI for dental insurance link [1387]	–	Claimed
AgentZap (Wilson Law Group); US · Legal	After-hours intake link [1388]	–	Claimed
Bushwick Daily (AI local newsroom, Alec Meeker); US · Media / publishing	Monitoring, structuring, verification, human approval link [1389]	–	Claimed

Seller	Offer	Price	Evidence
CUNA Strategic Services (Community Service CU); US · Banking / fintech	AI-powered personalised offers link [1390]	Not disclosed	Claimed
Delphi; US · Coaching / creators	Scaler / Scaler + API / Immortal link [1391]	$5k/yr; $10k/yr; custom	Reported
Ode with Anthropic (acquired Fractional AI); US · Cross-industry (enterprise)	Backed by Anthropic, Blackstone, H&F, Goldman, Sequoia and others link [1392]	Not public	Reported
Toptal (AI engineers); US · Cross-industry (platforms, benchmarks)	Hourly engagements; $500 deposit; $79/mo membership (reported) link [1393]	$100-200+/hr client rate (third-party estimate)	Secondary
@Aelert18 (car dealership first client); n/a · Automotive dealerships	First paying AI agency client link [1394]	$1,000 setup + $250/month	Claimed
@denohawari (SEO/AI-search agency); n/a · Ecommerce / D2C	Ecom brand from 1,700 clicks/mo; clients want "fix + train team" not reports link [1395] link 2 [1396]	–	Claimed
@Dexonfxf ("AI paralegal" for law firms); n/a · Legal	Client Q&A, doc organisation, drafting, follow-ups link [1397]	$5,000 setup + $750/month support	Claimed
@pat_the_dentist (TrueSmile.ai); n/a · Dental	Smile-preview visuals convert on-the-fence patients link [1398]	–	Claimed
@RoundtableSpace (restaurant ordering apps); n/a · Restaurants	iOS ordering apps built in ~30 min link [1399]	$3,000 each	Claimed
ZorAI; n/a · Legal	Pilot; setup + monthly tiers link [1400]	$999 pilot; $3,500 setup + $899/mo; $5,000 setup + $1,499/mo	Reported

AI content & creative (video/UGC) (23)

Seller	Offer	Price	Evidence
Arcads; France · Ecommerce / D2C	Hidden pricing link [1401]	~$110-220/mo; ~$11/video (third-party estimate)	Unverified

Seller	Offer	Price	Evidence
Havas (Prose on Pixels); France / Australia · Marketing / brands (cross-industry)	New APAC studios link [1402]	Not public	Reported
AI UGC sellers (benchmarks); Global · Ecommerce / D2C	Per video, 10-30 video test packs, retainers link [1403]	$50-500/video; $500-3,000/pack; $2-10K+/mo	Secondary
Bata India x Zocket; India · Retail	Brief-to-publish AI agents link [1404]	Not public	Claimed
Dentsu India (Performance Studio); India · Ecommerce / D2C	'Results in a Box', Bengaluru studio link [1405]	Not public	Claimed
Indegene (Cortex); India · Pharma / life sciences	Commercialisation services for pharma link [1406]	Not public	Claimed
Indian AI video studios (benchmark); India · Marketing / brands (cross-industry)	AI ad films + performance variants link [1407]	₹15K-1.5L per video; project minimums ₹1-5L	Secondary
Rivuletiq / Inovabeing / Yumi; India · Ecommerce / D2C	Managed AI catalog shoots; self-serve renders link [1408]	₹1.6-4L per 10 products managed; ₹8-30/render SaaS	Claimed
Social Panga (intoai.studio); India · Marketing / brands (cross-industry)	AI films, avatars as brand IP, AI product shoots link [1409]	Not public	Reported
Pencil (Brandtech); UK · Marketing / brands (cross-industry)	Self-serve and enterprise link [1410]	From $14-55/mo self-serve; enterprise custom	Reported
@codyschneider (AI UGC ads agency); US · Ecommerce / D2C	Unlimited ad creative + testing + management + reporting link [1411]	$3,000/month retainer; 13 clients ≈ $40k/mo	Claimed
@geekwire (Meadow AI); US · Retail	Video, audio, labour data for retailers and restaurants link [1412]	–	Claimed
Acana; US · Marketing / brands (cross-industry)	4-16 blogs + social + monthly CMO session; $997 jumpstart link [1413]	From $499/mo	Reported
Axios (Axios Direct); US · Media / publishing	Agent-era content feeds link [1414]	Not public	Reported

Seller	Offer	Price	Evidence
Creatify; US · Ecommerce / D2C	Free / $39 / $99 per mo link [1401]	~$1.65-2 per finished ad (third-party)	Secondary
Delphi (Matthew Hussey); US · Coaching / creators	Always-on "digital mind" trained on coach content link [1415]	Not disclosed in case	Claimed
Listing tools: Fastlist / BuildMyListing / ListingKit; US · Real estate	Per-room staging; per-listing packs; monthly listing copy tool link [1416] link 2 [1417] link 3 [1418]	Fastlist $2/staged room; BuildMyListing $33/listing; ListingKit $29/mo	Reported
Procore (AI Digital Coworker plans); US · Construction	Starter flat fee (3 projects, 5 agents); Pro/Enterprise credits, 20 agents, Agent Studio link [1419] link 2 [1420]	Starter flat fee; Pro/Enterprise credit-based (amounts not public)	Reported
With Agency; US · Marketing / brands (cross-industry)	'8-agent' marketing team: Core / Growth / Scale link [1421]	$1,500 / $3,500 / $7,000 per mo	Reported
@CEO_Vlad / @spwfeijen (AI UGC economics); n/a · Ecommerce / D2C	~800 ads/mo at 5% hit rate for $100k/day spend; tools $77/mo; human UGC $150-500/video link [1422] link 2 [1423]	Tool $77/mo; human $150-500/video	Claimed
@Jacobsklug / @zackpaid (agent-work + AI ad agencies); n/a · Marketing / brands (cross-industry)	Agents do work, humans review; AI ad creative across 100+ clients link [1424] link 2 [1425]	–	Claimed
@kaivosss (local-business AI UGC); n/a · Hospitality / travel	Local-business AI UGC link [1426]	–	Claimed
@Sebastianb0527 (in-house AI Ops Manager); n/a · Ecommerce / D2C	$2M/month supplement brand hiring AI Operations Manager for reports and creative link [1427]	–	Claimed

Custom AI development & platforms (17)

Seller	Offer	Price	Evidence
Publicis Groupe (H1 2026); France · Marketing / brands (cross-industry)	Group-wide link [1428]	–	Claimed

Seller	Offer	Price	Evidence
Clutch (AI development, global); Global · Cross-industry (platforms, benchmarks)	28,591 listed AI dev companies link [1429]	Most common $25-49/hr; US/Canada $50-99/hr	Secondary
Indie Hackers launch: AI-native engineers on subscription; Global · SaaS / B2B tech	Subscription dev team link [1430]	–	Unverified
Clutch (AI dev firms, India); India · Cross-industry (platforms, benchmarks)	Hundreds of listed Indian AI dev firms link [1431]	$25-99/hr; $5-25K project minimums	Secondary
Naukri / Info Edge ("AI-Rex"); India · Recruiting / HR	Agentic recruiting for enterprise customers link [1432]	Not disclosed	Claimed
Fikra API; Kenya · SaaS / B2B tech	Usage-based link [1433]	From $1	Reported
Noventis; Sweden · SMB cross-industry	Free 30-day live trial of tailored AI system link [1434]	Free trial then custom	Claimed
ICS.AI (Ipswich Borough Council); UK · Government / public sector	Contract award link [1435]	£540,762	Reported
WPP Open Pro; UK · SMB cross-industry	Plan, create, publish campaigns directly link [1436]	Access fee + usage (not itemised)	Reported
@liamottley_ (contrarian on custom AI); US · SMB cross-industry	Huge money will be wasted on custom AI in the next 12 months link [1437]	–	Claimed
Deloitte (Zora AI); US · Cross-industry (enterprise)	Zora AI with SAP Joule integration link [1438]	Not public	Claimed
Finalytics (Utah Community CU); US · Banking / fintech	Personalised web journeys for loan applications link [1439]	Not disclosed	Claimed
Omnicom (post-IPG); US · Marketing / brands (cross-industry)	IPG deal closed 26 Nov 2025; Acxiom into Omni link [1440]	–	Claimed
Pin / SeekOut / Raffi / GoPerfect; US · Recruiting / HR	SaaS; some AI recruiting agency hybrids link [1441]	$100-600/mo; $250-300 per role	Secondary

Seller	Offer	Price	Evidence
@mikenevermiss (Claude Code website agency); n/a · SMB cross-industry	Scrapes Google Maps for businesses without websites link [1442]	~$400/website	Claimed
@qurisage (Claude Code dev shop); n/a · SaaS / B2B tech	Competes with full-service agencies on speed link [1443]	$12,000-15,000 per project	Claimed
BuddyPro (via David Riha comparison); n/a · Coaching / creators	Annual license + usage link [1444]	~$2,364/yr license + AI usage (third-party; comparison is seller-affiliated, unverified)	Unverified

AI search visibility (GEO/AEO/local) (16)

Seller	Offer	Price	Evidence
Otterly.AI; Austria · Marketing / brands (cross-industry)	Entry tier; engine add-ons link [1445]	From $29/mo	Claimed
Peec AI; Germany · Marketing / brands (cross-industry)	Self-serve entry link [1446]	€85/mo Starter (monthly; €70/mo annual)	Secondary
ConnectAI; India · Healthcare / clinics	WhatsApp booking; voice receptionist; review auto-reply; GBP link [1447]	₹1,999/mo; ₹800/mo + ₹4/min; ₹799/mo; ₹1,499 one-off	Reported
Nykaa (AskNykaa; ChatGPT app with OpenAI); India · Beauty / wellness	Conversational search; Nykaa app inside ChatGPT link [1448]	–	Unverified
Scribblers, UpGrowth, Vikilinks, Digi Ustad, Reinvent; India · Marketing / brands (cross-industry)	SEO + AEO bundles, AI citation reports link [1449]	Audits ₹8K-60K; retainers ₹15K-3.5L/mo	Secondary
Future plc (Future Optic); UK · Media / publishing	Future Optic GEO link [1414]	Not public	Claimed
Brainlabs; UK/Global · Marketing / brands (cross-industry)	AI visibility system link [1450]	Not public	Claimed
Jellyfish (Brandtech Group); UK/Global · Marketing / brands (cross-industry)	Share of Model platform + creator intelligence link [1451]	Not public	Claimed
CBus AI Agents (Hanlin Rainaldi Construction); US · Construction	Lead-finding, qualification, outreach agents plus GEO for a commercial GC link [1452]	Not disclosed	Claimed

Seller	Offer	Price	Evidence
First Page Sage, NoGood, Omniscient, Siege, iPullRank (roundup); US · Marketing / brands (cross-industry)	GEO / AI search retainers link [1453]	$3-20K/mo; audits $1.5-5K (mostly directional)	Secondary
NetWebMedia; US · Marketing / brands (cross-industry)	AEO Starter / CMO Growth / CMO Premium link [1454]	$249 / $999 / $2,490 per mo; $499-999 setup	Reported
Profound; US · Marketing / brands (cross-industry)	ChatGPT-only entry; enterprise multi-engine link [1455]	From $99/mo Starter (ChatGPT only); multi-engine from $399/mo; enterprise custom	Secondary
Red-engage; US · Marketing / brands (cross-industry)	AI Visibility Audit; GEO retainers (3-mo min) link [1453]	$2,500 audit; $4,500 / $7,000 / $14,000 per mo	Reported
Ziff Davis (AI visibility services); US · Media / publishing	Revenue from clients improving AI visibility link [1414]	Not public	Claimed
@DavidGQuaid (GEO spam backlash); n/a · Marketing / brands (cross-industry)	Reddit SEO subs "30% GEO spam" link [1456]	–	Claimed
@NguyenZBro (GEO/AEO packaging); n/a · Marketing / brands (cross-industry)	One-off AI-visibility audit; GEO add-on to SEO retainer; citation/mention programme link [1457]	–	Claimed

Vertical specialist AI & analytics (15)

Seller	Offer	Price	Evidence
Dataro (East Cheshire Hospice); Australia · Nonprofits	Appeal targeting link [1458]	–	Claimed
Dataro (Leprosy Mission NZ); Australia · Nonprofits	Annual appeal optimisation link [1459]	–	Claimed
Dataro (Scleroderma & Raynaud's UK); Australia · Nonprofits	Donor propensity scoring link [1460]	–	Claimed
Klick Health (Guardrail); Canada / US · Pharma / life sciences	MLR 'checkpoint to input' model link [1461]	Not public	Claimed
Independent-hotel AI revenue management (Propeter, Ramsi, others); Global · Hospitality / travel	AI RMS for boutique and independent hotels link [1462] link 2 [1463]	Varies (subscription)	Claimed

Seller	Offer	Price	Evidence
Fynd x Reliance Retail ("Retail Jarvis"); India · Retail	CV reads in-store customer journey; single Mumbai pilot store link [1464]	Not disclosed	Claimed
Lighthouse x IHCL; India · Hospitality / travel	Standardised RM and reporting across IHCL link [1465]	Not disclosed	Unverified
Shoppers Stop; India · Retail	AI-powered apps link [1466]	–	Claimed
NH NongHyup Bank (AI Recommendation Assistant); South Korea · Banking / fintech	Push/LMS campaigns to AI-predicted high-propensity customers link [1467]	–	Claimed
Kreo / Beam AI / OneEstimate; UK / US · Construction	SaaS (OneEstimate free plan) link [1468]	Kreo AI Pro $175/user/mo; Beam AI from $8,000/yr per trade	Secondary
WPP (Open) / Publicis; UK/France/Global · Marketing / brands (cross-industry)	WPP pushing outcome-based pay (minority today, e.g., JLR); Publicis says outcome-based ~10% of revenue link [1469] link 2 [1470]	Not public	Reported
Togal.AI; US · Construction	Per-user SaaS link [1471]	From $299/user/mo	Secondary
Vertice AI (ELGA Credit Union); US · Banking / fintech	Propensity-targeted auto loan campaign link [1472]	Not disclosed	Claimed
@CRudinschi (Industrial AI Summit); n/a · Manufacturing	Acciona chemical-dosing prediction link [1473]	–	Claimed
@PeerJuelichAI (niche + outcome pricing); n/a · SMB cross-industry	$5K vs $50K agency = one niche, one offer, outcome-based pricing link [1474]	–	Claimed

Lead gen, speed-to-lead & SDR (13)

Seller	Offer	Price	Evidence
Kenlo LYA (via Wegile portfolio); Brazil · Real estate	LYA agent qualifies property leads for Kenlo users link [1475]	Not disclosed	Unverified
IBS Fulcro x Tata Motors (lead orchestrator); India · Automotive dealerships	Processes 1.2M+ monthly leads from five sources link [1476]	Not disclosed	Unverified

Seller	Offer	Price	Evidence
Wondrlab (WondrAgents); India · Marketing / brands (cross-industry)	Discovery, outreach, negotiation, evaluation, ROI link [1477]	Not public	Claimed
Reeve Consult; UK · SMB cross-industry	AI audit, custom builds (inbox triage, lead chase), retainer link [1478]	Audit £750-1,500; build £3,000-15,000; retainer £1,000-3,000/mo	Secondary
@InstantlyAI (AI Recruiting Agent); US · Recruiting / HR	JD → approve candidates → agent outreach, for teams or agency clients link [1479]	–	Claimed
AI appointment-setter pricing (Prestyj guide); US · Coaching / creators	Cost-per-appointment pricing guide link [1480]	Price ranges vary widely by vendor (no stable public benchmark)	Secondary
Delphi (Jaden Bales); US · Coaching / creators	Clone answers client questions link [1481]	Not disclosed	Unverified
Qualified Piper (Greenhouse); US · SaaS / B2B tech	AI SDR agent link [1482]	–	Claimed
Qualified Piper (NextGen Healthcare); US · SaaS / B2B tech	AI SDR agent link [1483]	–	Claimed
Canibuild (Barrier Reef Pools US dealers); US / Australia · Construction	Instant site plans/visuals for pool dealers' prospects link [1484]	Subscription (not disclosed)	Claimed
@TechSalesGuy (Salesforce "Hunter"); n/a · SaaS / B2B tech	Salesforce building "Hunter" AI SDR into its platform (per post) link [1485]	–	Claimed
@thejoelwall (med spa AI SDR); n/a · Beauty / wellness	Med spa lost 40% of leads to slow response link [1486]	–	Claimed
Reddit r/AI_Agents practitioner ('$75K from 18 SMB clients'); n/a · SMB cross-industry	Builds + retainer for 'boring' SMBs link [1487]	$3-7K build + $500-1,500/mo	Unverified

Agentic commerce & agent infra (10)

Seller	Offer	Price	Evidence
Magalu ("WhatsApp da Lu"); Brazil · Retail	Lu persona recommends from 300k sellers, guides checkout and post-sale link [1488]	–	Claimed

Seller	Offer	Price	Evidence
MCP server dev studios (AppMatic, Duskel, others); Global · SaaS / B2B tech	Internal tool / production multi-tenant / regulated link [1489]	$8-15K simple; $25-120K production; $250K+ regulated; $2.5-6K/mo maintenance	Secondary
Manifest AI (Underneat); India · Ecommerce / D2C	Fit-advice assistant link [1490]	–	Claimed
Meridian AI; UK · SMB cross-industry	AI Discovery; Business Automation; AI product builds link [1491]	Discovery from £499; setup from £2,250 + £450/mo; builds from £12,000 + £1,500/mo	Reported
@alexandr_wang (Meta Muse for small businesses); US · SMB cross-industry	Meta "Muse for small businesses" connectors for plumbers, grocery stores, farms, restaurants, shops link [1492] link 2 [1493]	–	Claimed
Design Key; US · Cross-industry (platforms, benchmarks)	FAQ bot; RAG over docs; support agent; MCP workflow link [1494]	$5-15K; $15-40K; $30-80K; $50-150K+	Secondary
Google UCP native checkout (Shopify); US · Ecommerce / D2C	Default-on for eligible US Shopify merchants link [1495]	–	Reported
Walmart (Sparky, in-house); US · Retail	Sparky GenAI shopping agent in app; visual shopping; Walmart Connect ads link [1496] link 2 [1497]	n/a (in-house)	Claimed
KailxLabs / GigaCommerce / Need Infotech; US / India · Ecommerce / D2C	AI shopping readiness; product-data enrichment link [1498]	$1,500 baseline (one-time); $4,995 AI-shopping readiness (one-time); $3,500/mo growth program	Reported
@Musecases (PayPal x Meta Muse checkout); n/a · Ecommerce / D2C	PayPal merchant network wired to Meta Muse personal agent link [1499]	–	Claimed

Benchmarks & market data (7)

Seller	Offer	Price	Evidence
Backbase x African Banker (State of AI in African Banking 2026); Africa (37 countries) · Banking / fintech	277 senior leaders surveyed link [1500]	–	Claimed

Seller	Offer	Price	Evidence
Central Bank of Kenya AI survey (via African Exponent); Kenya · Banking / fintech	CBK March 2025 survey of banks, MFIs, digital lenders link [1501]	–	Reported
@REMarketingTips (NAR 2026 tech report); US · Real estate	Of agents using AI: listing descriptions 75%, social 56%, email 52% link [1502]	–	Claimed
@RISMediaUpdates / @BeachRealty_ (buyers use AI; GEO for agents); US · Real estate	1 in 5 buyers use AI for house hunting; Inman: top producers lose out in AI "best agent" answers link [1503] link 2 [1504]	–	Claimed
@BOSRAIsa (AI SDR reality check); n/a · SaaS / B2B tech	3.43% cold reply rate: 200 contacts/mo ≈ 1 meeting vs human SDR quota 10 link [1505]	–	Claimed
@legal_slice (law-firm AI referral share); n/a · Legal	AI-search referrals share of law-firm sessions link [1506]	–	Claimed
@Themes1340043 (receptionist cost model); n/a · Cross-industry (platforms, benchmarks)	Human live receptionist 500 min vs AI software for similar volume link [1507]	~$1,725/mo human vs ~$186/mo AI	Claimed

Conversational ads (ChatGPT Ads) (6)

Seller	Offer	Price	Evidence
@UttarExplains / @smitshahs007 (ChatGPT Ads scale); India · Marketing / brands (cross-industry)	ChatGPT Ads live in 60+ countries (OpenAI said 89 on 21 Oct 2026); India self-serve; expanding in Asia (Free & Go users) link [1508] link 2 [1509]	–	Claimed
AGL-Hakuhodo (AdGlobal360); India · Marketing / brands (cross-industry)	Pilot with enterprise clients; intent frameworks, prompt mapping, CAPI + MMM link [1510]	Experimental media budgets	Reported
@irentdumpsters (ChatGPT Ads ROAS); US · Home services	Dumpster rental advertiser link [1511]	$20,000 spend	Claimed
@aryehMaxx (ChatGPT Ads advertiser data); n/a · Marketing / brands (cross-industry)	630 brands collectively spending $1.7M link [1512]	–	Claimed
@GlennNieuwenh (Shopify ChatGPT Ads integration); n/a · Ecommerce / D2C	Sync products and run campaigns from Shopify (per post) link [1513]	–	Claimed

Seller	Offer	Price	Evidence
@nathangotch / @WebObsessedCom (ChatGPT Ads cost); n/a · Marketing / brands (cross-industry)	Book launch ~$4/registrant on Meta vs ~$48 on ChatGPT Ads; 11-day diary: expensive, no sales link [1514] link 2 [1515]	~$48 per registrant	Claimed

Appendix D. Practitioner signals: all 221 posts

D · Practitioner signals: all 221 posts

Public posts on X about AI services, offers, prices and results, January 2025 to September 2026. Each post was re-opened on 30 September 2026 to confirm the author and date. In the cross-check of 3 November 2026, X blocked automated re-opening, so the sampled posts could not be checked again. Figures inside posts are the posters' own claims and were not independently verified.

Date	Handle	Offer type	What the post said (summary)
2026-09-29	@Aelert18 [1394]	AI UGC / ad creative	First paying AI agency client: car dealership (~$10k/mo ad spend); $1,000 setup + $250/month
2026-09-29	@AIEcomHQ [1516]	Workflow automation (n8n/Make)	Speed-to-lead pitch: respond to inbound in <60 min (7x qualification stat): AI lead-response automation for agencies
2026-09-29	@OpsByFabian [1517]	Workflow automation (n8n/Make)	Self-hosted agency infra (Ubuntu VPS, Docker, Coolify, Tailscale) for client apps
2026-09-29	@Themes1340043 [1507]	AI receptionist / voice agent	Human live receptionist 500 min ≈ $1,725/mo vs AI receptionist software ≈ $186/mo for similar volume
2026-09-29	@muratcan [1518]	AI receptionist / voice agent	Predicting booking outcomes from AI receptionist call logs (2,029 calls): analytics layer on receptionist
2026-09-29	@heypartharora [1215]	AI receptionist / voice agent	AI receptionist pitch to 7 healthcare clinics: lost patient revenue + up to 15% monthly cost saving; pilots in 2 weeks
2026-09-29	@dNodal0 [1519]	AI receptionist / voice agent	"Sirius" AI phone receptionist (qualify, message, book, keep number) + "Véga" website/WhatsApp assistant; both on Claude; setup in 3 business days
2026-09-29	@newonpolsia [1180]	AI receptionist / voice agent	Flood (15+ posts/day) of auto-generated AI-receptionist micro-brands (RookRinger, Wrenchwake, Bellwicket, Callwisp, RingRafter…) for home services/HVAC/plumbing/dental across UK, India, Italy, Nigeria, Greece: "one saved job pays for the month". Signal: extreme saturation/commoditisation
2026-09-29	@newonpolsia [1181]	AI receptionist / voice agent	e.g. Callwisp: multilingual receptionist for Italian dental clinics across calls/WhatsApp/web chat, hands clinical Qs to staff

Date	Handle	Offer type	What the post said (summary)
2026-09-29	@AmbsCallCenter [1520]	AI receptionist / voice agent	Call-centre selling AI receptionist with human handoff + info-update governance
2026-09-29	@talkee007 [1521]	AI receptionist / voice agent	(not re-opened on 3 Nov 2026) Talkee.io 24/7 AI receptionist in 50+ languages
2026-09-29	@Sunshine_Mom22 [1222]	AI receptionist / voice agent	Consumer backlash: dermatology office AI receptionist failing to understand callback context (quality risk)
2026-09-29	@maximmaci [1522]	AI receptionist / voice agent	$0/month AI tool stack for small service businesses (Claude/ChatGPT free, Square, Wave)
2026-09-29	@BoBrainerd [1523]	Agentic commerce	Intent is the key signal; interface disappearing: agents route intent to right merchant
2026-09-29	@tongxgalaxy [1524]	Agentic commerce	Killer use case = family logistics (back-to-school calendars → buy everything), not restaurant bookings
2026-09-29	@NikhaarShah [1255]	Strategy / training / enablement	Ryan Serhant launched "Dot" AI Chief of Staff for real estate agents ($45M raised); consultant offering implementation help
2026-09-29	@RealToddRaw [1182]	AI receptionist / voice agent	AI phone systems installed for landscapers, roofers, HVAC, real estate agents, med spas (maxsaisolutions)
2026-09-29	@RISMediaUpdates [1503]	Other / commentary	1 in 5 buyers use AI tools for house hunting
2026-09-29	@LawTimes [1525]	Strategy / training / enablement	Law-firm AI success = process redesign, not tool choice (consulting/change-mgmt angle)
2026-09-29	@sadiqdigitalnex [1526]	Agentic commerce	24/7 AI conversational checkout & cart recovery for fashion/gadget/beauty stores (price/stock answers <60s)
2026-09-29	@alexandr_wang [1492]	Agentic commerce	Meta "Muse for small businesses" connectors: plumbers, grocery stores, farms, restaurants, shops running biz via Muse
2026-09-29	@itsterranceyeo [1493]	Agentic commerce	Take: Muse-for-SMB threatens vertical SaaS ("software for X" era ending): implication for vertical AI agencies
2026-09-29	@geekwire [1412]	AI UGC / ad creative	Meadow AI $7M seed: AI "digital secret shopper"/co-manager for retailers & restaurants (video, audio, labour data)

Date	Handle	Offer type	What the post said (summary)
2026-09-29	@Polymarket [1527]	Other / commentary	McDonald's using AI for per-restaurant dynamic pricing (willingness to pay)
2026-09-29	@deepak_s90 [1286]	Claude Code / AI dev shop	India: WhatsApp AI-agent ordering direct from repeat restaurants to bypass platform fees
2026-09-29	@ITLupdates [1528]	Other / commentary	Agentic AI for real-time underwriting support
2026-09-29	@monikahalan [1374]	Other / commentary	India: IRDAI data shows insurance driven by distribution commissions/mis-selling (context for compliance/suitability AI)
2026-09-29	@akkiex007 [1529]	Speed-to-lead / AI SDR	Recruiters building custom agents to source outbound candidates vs specific requirements; LinkedIn Recruiter/ATS prompt support
2026-09-29	@coreyganim [1372]	Strategy / training / enablement	150-person manufacturer w/ 6-person AI task force + 15 Claude Team seats asked for capabilities briefing, data roadmap, on-site enablement (AI consulting/roadmap offer)
2026-09-28	@AIEcomHQ [1331]	Other / commentary	Agencies fail in 90 days pitching generic chatbots; clients pay "thousands" for reliable, governed operational systems
2026-09-28	@kenlawlerai [1530]	Other / commentary	Stay niche/SMB rather than chasing mid-market under "AI agency" label (IMAP Works)
2026-09-28	@yvaann_ [1531]	Workflow automation (n8n/Make)	Local-business AI automation agency: owners buy outcomes (more revenue/clients), not stacks/tools
2026-09-28	@fivosaresti [1532]	Workflow automation (n8n/Make)	"AI-Native Services" firm: Claude Code as main interface, company OS in git, software + human expertise blend
2026-09-28	@AIEcomHQ [1332]	Workflow automation (n8n/Make)	"SaaS replacement" offer: agencies bleed $2,000–$4,500/mo in seat licenses → build custom internal tools/automations instead
2026-09-28	@AIEcomHQ [1333]	Workflow automation (n8n/Make)	Anti-hourly: move to value/productised pricing ($1,500 10-hr job vs $300 when AI cuts to 2 hrs)
2026-09-28	@ItsMattJason [1533]	Workflow automation (n8n/Make)	Cost stack: Claude Pro $20/mo; Intercom AI + Helios AI + n8n implementation ~ $246 per client/month in tool cost

Date	Handle	Offer type	What the post said (summary)
2026-09-28	@AxelscalesAI [1534]	Workflow automation (n8n/Make)	Agency-ops automation: urgent client-email triage/alerting (e.g. "tracking is down")
2026-09-28	@__dolani [1535]	Workflow automation (n8n/Make)	AI drafting agent that learns from client feedback + dashboard
2026-09-28	@CraigV7912 [1536]	Workflow automation (n8n/Make)	Video testimonial automation: CRM milestone → n8n SMS w/ VideoAsk/Tally → AI transcribe → post to site
2026-09-28	@RobertMarketing [1537]	Workflow automation (n8n/Make)	First AI automation client in 7 days: narrow offer e.g. "reply to new leads within 60 seconds"
2026-09-28	@iAjittiwari [1538]	Workflow automation (n8n/Make)	Practitioner Q: one n8n instance per client vs shared (multi-tenant ops question)
2026-09-28	@BirdVein [1214]	AI receptionist / voice agent	Same $297/mo recurring offer; niches plumbers, roofers, dentists, landscapers
2026-09-28	@greyy_daze [1539]	AI receptionist / voice agent	Cold outreach to dental practices for AI receptionist; struggle reaching owners
2026-09-28	@Sourcelift [1540]	GEO / AEO	GEO tactic: pages under AI Overview for "best X" (Reddit, listicles, Quora) = distribution plan
2026-09-28	@bonnyxen [1541]	Claude Code / AI dev shop	Claude skill generating promo motion videos from a codebase (launch video offer)
2026-09-28	@CEO_Vlad [1422]	AI UGC / ad creative	AI UGC math: $100k/day at 2.5 ROAS → 40 winners → ~800 ads/mo (27/day) at 5% hit rate; tool $77/mo (Infinite UGC)
2026-09-28	@benkreynes [1542]	AI UGC / ad creative	Hiring AI video editor for hyper-realistic AI UGC for $80M+ ecommerce brand (in-house demand)
2026-09-28	@olanetsoft [1543]	Agentic commerce	Developer doubling down on headless engineering + agentic commerce (skills shift)
2026-09-28	@GegoSoftTech [1544]	Other / commentary	DentalPro.cloud: AI drafts SOAP notes in ~60s (dentists lose 30+ min/patient to paperwork), clinician review
2026-09-28	@pat_the_dentist [1398]	Other / commentary	TrueSmile.ai smile-preview visual converts on-the-fence patients to booked cases (case-acceptance tool)

Date	Handle	Offer type	What the post said (summary)
2026-09-28	@coleruudjohnson [1545]	Strategy / training / enablement	(not re-opened on 3 Nov 2026) RE coach w/ hundreds of clients: many AI use cases but most agents don't implement
2026-09-28	@jaypmo [1546]	Other / commentary	AI-native law firm hiring lawyers avg 11 yrs experience (AI-native firm model)
2026-09-28	@kayautomate [1547]	Other / commentary	Freelancer automating scheduling + patient intake for local medical clinics
2026-09-28	@notoveai [1548]	Workflow automation (n8n/Make)	Prior-authorisation automation: plans to answer 80% of electronic PA in real time by 2027: documentation workflows for clinics
2026-09-27	@iamdanyalbhatti [1217]	AI receptionist / voice agent	Voice AI startups: avoid rushing enterprise sales in healthcare/insurance: privacy/security/compliance demands
2026-09-27	@ETA_Sami [1549]	AI receptionist / voice agent	Voice agent connected to client calendar: captures caller info, books, SMS follow-up
2026-09-27	@StephanSabeski [1550]	AI receptionist / voice agent	Niche voice agent for astrologers/tarot/spiritual practitioners (personalised readings)
2026-09-27	@AmanSha01749335 [1551]	AI receptionist / voice agent	AI receptionist for real estate firms: 24/7 answer, qualify leads, book meetings
2026-09-27	@shunhewang [1552]	Agentic commerce	Legal: agent-to-agent contracts, liability/arbitration under US law
2026-09-27	@prestonzeller [1553]	AI receptionist / voice agent	RE investing: AI-generated cold-call scripts from distress-factor data
2026-09-27	@heypartharora [1216]	AI receptionist / voice agent	AI receptionist built explicitly for medical health centres/clinics; learnings from clinic-owner calls
2026-09-27	@ACCinTouch [1554]	Workflow automation (n8n/Make)	Ambient scribes, GenAI, EMR-integrated tools in cardiology workflows
2026-09-27	@MatthewHellyar [1555]	Other / commentary	Clinical AI pre-loaded with patient timeline (meds, allergies, results)
2026-09-27	@rohanpaul_ai [1556]	Speed-to-lead / AI SDR	Epsilon: shopping is 3rd-leading AI application; only 16% use AI to finalise purchase vs 42% for research
2026-09-27	@KamyaSamuel [1557]	Other / commentary	AI-augmented metal fabrication upgrade path for small fab shops

Date	Handle	Offer type	What the post said (summary)
2026-09-26	@lukepierceops [1218]	AI receptionist / voice agent	Coaches AI agency founders; 7 calls/day with people starting/growing agencies (agency-coaching market signal)
2026-09-26	@et_rifat [1558]	Workflow automation (n8n/Make)	"The Code Bros" launch: AI agents, workflow automation, SaaS/web/mobile dev; claims 200+ projects
2026-09-26	@binitagarwal_ [1559]	Claude Code / AI dev shop	Custom MCP logging Claude Code session time/resources per client project into internal system (agency ops/billing)
2026-09-26	@CEO_Vlad [1560]	AI UGC / ad creative	Stack: Meta Ad Library scripts → SnapTik transcripts → Claude rewrite ($20) → Infinite UGC ($77/mo)
2026-09-26	@WebObsessedCom [1515]	ChatGPT Ads	Day 11 ChatGPT ads diary: campaigns expensive, audience campaign barely serving, no sales
2026-09-26	@GlennNieuwenh [1513]	ChatGPT Ads	Shopify launched official ChatGPT Ads integration (sync products, run campaigns): ecommerce setup service opportunity
2026-09-26	@scano_ai [1561]	Other / commentary	Dental AI beyond diagnosis: screening, patient education, documentation, follow-ups, front desk
2026-09-26	@REMarketingTips [1502]	Other / commentary	NAR 2026 tech report: of agents using AI, 75% listing descriptions, 56% social, 52% email
2026-09-26	@chetanp [1562]	Other / commentary	Legora law-firm customers growing/expanding business lines: AI expanding legal market
2026-09-26	@Sebastianb0527 [1427]	AI UGC / ad creative	$2M/month supplement brand hiring in-house "AI Operations Manager" (no agencies) to automate paid-media reports, creative etc.
2026-09-26	@KushagrL85219 [1563]	AI UGC / ad creative	Hiring ecom editors: Suno AI, claymation, UGC/VSL, AI performance ads
2026-09-26	@ponchodelosrios [1258]	Workflow automation (n8n/Make)	Handle agents plug into broker/carrier email + systems, turn messy documents into structured workflows; expanding Miami/Austin
2026-09-26	@Saboo_Shubham_ [1221]	AI receptionist / voice agent	Open-source insurance-claim voice agent with live avatar, handles Hindi mid-call
2026-09-26	@hackteck [1564]	Claude Code / AI dev shop	Take: commoditised services dying soon: AI advisors, recruiting assistants, SEO services, dev services, translation

Date	Handle	Offer type	What the post said (summary)
2026-09-25..27	@PokeEcom / @SabinaTkh / @EditedByLuke [1565]	AI UGC / ad creative	Multiple DTC/supplement brands hiring AI UGC editors (Seedance, Nano Banana, HeyGen, lipsync): strong talent demand
2026-09-25	@Kamil_Svetra [1231]	Workflow automation (n8n/Make)	(FR) n8n for coaches/real-estate agents/freelancers: automate reminders, doc sending, follow-ups, sheet updates; keep human conversations
2026-09-25	@BirdVein [1213]	AI receptionist / voice agent	GoHighLevel SaaS-mode playbook: website + AI chatbot + AI voice agent + review automation for local SMBs at $297/month; 34 clients = $10k/mo; claims operator w/ 1,300+ clients
2026-09-25	@jacobhamecom [1566]	AI receptionist / voice agent	Local-service delivery stack: voice agent + CRM pipeline + automated review requests; one person can run 15–20 clients
2026-09-25	@NguyenZBro [1457]	GEO / AEO	GEO/AEO retainer packaging: one-off AI-visibility audit; GEO add-on to SEO retainer; dedicated citation/mention programme; buyers = brands losing clicks to AI answers
2026-09-25	@AGENTPROOF888 [1567]	GEO / AEO	"Agency will lose 40% of SEO revenue" → AEO, GEO, agent-readable storefronts as new offers
2026-09-25	@DavidGQuaid [1456]	GEO / AEO	Reddit SEO subs "30% GEO spam": backlash/credibility risk
2026-09-25	@draprints [1568]	Speed-to-lead / AI SDR	"Agentic outbound": loop of agents rewriting sequences from replies until target hit
2026-09-25	@UttarExplains [1508]	ChatGPT Ads	ChatGPT Ads live in 60+ countries (OpenAI said 89 on 21 Oct 2026), $1B annualised run rate in <200 days; India has self-serve access
2026-09-25	@smitshahs007 [1509]	ChatGPT Ads	ChatGPT Ads expanding to 7 more Asian markets (SG, TH, TW); Free & Go users only; self-serve Ads Manager
2026-09-25	@Rogerecomprof [1569]	ChatGPT Ads	Ecom operator seeking ChatGPT Ads freelancer ASAP (demand for specialists)
2026-09-25	@BeachRealty_ [1504]	GEO / AEO	Inman: top producers lose out when consumers ask AI for "best agent" → GEO for realtors opportunity
2026-09-25	@gen_legal_inc [1570]	Other / commentary	Bloomberg Law: lawyers use AI mainly for research, drafting, summaries

Date	Handle	Offer type	What the post said (summary)
2026-09-25	@JerryBrown02 [1571]	Other / commentary	(not re-opened on 3 Nov 2026) Candidate experience: recruitment firm using AI agent to match CV, schedule & conduct scored screening interview
2026-09-24/29	@tjfenner [1572]	Other / commentary	Content series: AI for ecom upsell/cross-sell, market research, segmentation
2026-09-24	@OnCallClerk [1573]	AI receptionist / voice agent	White-label/reseller AI receptionist for agencies; "52% of agencies report increased revenue" after adding virtual receptionist
2026-09-24	@benjihyam [1574]	GEO / AEO	Study of 2,545 LLM citations on "best AEO/content agency" queries: what drives agency recommendations in ChatGPT/Claude/Gemini/AIO
2026-09-24	@mhdfaran [1575]	GEO / AEO	AI coworker turns a Slack channel into full GEO workflow per agency client: reports, page fixes, outreach, Reddit leads, follow-ups w/ human approval
2026-09-24	@theseoguy_ [1576]	GEO / AEO	GEO and traditional SEO should be same agency (heavy overlap)
2026-09-24	@plod_ponder [1577]	GEO / AEO	Agencies must add ChatGPT ads ("ChatGPT will be to AI ads as Meta is to social") and AEO/GEO
2026-09-24	@tryatria_AI [1578]	AI UGC / ad creative	Static AI ads overlooked vs AI UGC: faster/cheaper to iterate
2026-09-24	@bazfurby [1579]	Speed-to-lead / AI SDR	Need working outbound engine (ICP, offer, sequences, human closer) before AI SDR layer
2026-09-24	@aryehMaxx [1512]	ChatGPT Ads	630 brands collectively spending $1.7M on ChatGPT Ads: early-adopter data thread (agency/tool opportunity)
2026-09-24	@NathanLatka [1387]	Other / commentary	Company at $9M ARR selling AI for dental insurance (verification/claims)
2026-09-24	@RambamHCC [1580]	Other / commentary	Study cautions dentists on AI use in treatment (trust/regulatory risk)
2026-09-24	@MarcVirtal [1581]	AI receptionist / voice agent	Real Estate AI Studio "night guard": answers 11pm calls, books tours, drafts follow-ups, flags lease renewals
2026-09-24	@legal_slice [1506]	GEO / AEO	Law-firm AI-search referrals only 0.47% of sessions: GEO hype tempered for legal

Date	Handle	Offer type	What the post said (summary)
2026-09-24	@denohawari [1395]	Other / commentary	SEO/AI-search agency drove $130,000 organic revenue in 5 months for ecom brand from existing product pages (from 1,700 clicks/mo)
2026-09-24	@MaorX9 [1582]	Other / commentary	Boushops AI: autonomous ecom OS replacing plugin maze
2026-09-24	@InstantlyAI [1479]	Other / commentary	AI Recruiting Agent: give JD → approve candidates → agent does outreach ("for your team or your client's"): recruiting-agency use
2026-09-24	@mattdykema [1583]	Other / commentary	Value is in people who combine shop-floor experience + AI (domain-expert implementers)
2026-09-24	@spaceandtech_ [1584]	Other / commentary	Feather Robotics $30k bimanual mobile manipulator sold to manufacturing/food service
2026-09-23	@PeerJuelichAI [1474]	Other / commentary	$5K vs $50K agency = one niche, one offer, outcome-based pricing; "stop selling AI"
2026-09-23	@OmonDaniel71277 [1585]	Speed-to-lead / AI SDR	Lead-intake workflow: auto capture/qualify/respond/track agency enquiries
2026-09-23	@kaivosss [1426]	AI UGC / ad creative	AI UGC 9-second ads for hotels, gyms, restaurants (local-business UGC)
2026-09-23	@FrenzCR [1586]	Other / commentary	Positioning: "AI for dentists who hate invoicing" is a business, "AI for everyone" is noise
2026-09-23	@nizamdesign [1587]	Speed-to-lead / AI SDR	LeaseFlow AI: property Q&A, lead qualification, tour booking, doc chasing, renewal outreach (property mgmt)
2026-09-23	@jasononfirms [1588]	Other / commentary	Accounting firms dissatisfied with AI vendors (except Claude/ChatGPT/BlueJ): trust gap for implementers
2026-09-23	@39Sazzan [1589]	Other / commentary	Brands unready for AI shopping agents ("protein powder under $50") → agent-readiness
2026-09-23	@moritzkremb [1590]	AI UGC / ad creative	Video: 5 AI apps/automations to build & sell to businesses with Jev + Opus 5.5
2026-09-23	@justrehen [1591]	Other / commentary	AI-vs-AI hiring loop critique (applicants & HR both using AI)
2026-09-23	@CRudinschi [1473]	Other / commentary	Industrial AI Summit 2026: classic ML delivers most measurable value; Acciona chemical-dosing prediction saves $250,000+ per plant

Date	Handle	Offer type	What the post said (summary)
2026-09-23	@RohanTResearch [1592]	Other / commentary	AI-enabled manufacturing: operator assistance, predictive maintenance, parameter tuning, equipment intelligence
2026-09-22	@guilhermeagency [1593]	Claude Code / AI dev shop	AI-built websites $500/site with 45-min delivery system; plans price raise after 5 clients
2026-09-22	@denohawari [1396]	GEO / AEO	Client demand shift: brands don't want "you're invisible in ChatGPT" reports: want fix + team training then exit (done-with-you/enablement)
2026-09-22	@thejoelwall [1486]	Speed-to-lead / AI SDR	Med spa client lost 40% of leads to slow response; AI SDR answers every inquiry within 90 sec 24/7; plugged ~$30k/month leak
2026-09-22	@BOSRAIsa [1505]	Speed-to-lead / AI SDR	Reality check: 3.43% cold reply rate → AI SDR on 200 contacts/mo ≈ 1 meeting vs median human SDR quota 10
2026-09-22	@Musecases [1499]	Agentic commerce	PayPal wired merchant network to Meta's "Muse" personal agent: agent checkout anywhere PayPal accepted
2026-09-22	@jeff_weinstein [1594]	Agentic commerce	Stripe dedicated agentic-commerce team since Dec 2024 (money infra for agents)
2026-09-22	@PeerJuelichAI [1595]	Speed-to-lead / AI SDR	Lead-gen automation: "dentists in Bangkok" → scraped contacts + personalised outreach in 2 min
2026-09-22	@nakul [1596]	Other / commentary	"AI for recruiting" startups vs LinkedIn graph moat (Juicebox)
2026-09-21	@jasonlk [1597]	Speed-to-lead / AI SDR	Training an AI SDR isn't hard: train on collateral, website, pricing, top 100 customer Qs: must actually do it carefully
2026-09-21	@irabukht [1598]	ChatGPT Ads	Muse for Marketing connects Google/Meta/ChatGPT Ads + SEO tools (agentic marketing ops)
2026-09-21	@every [1599]	Agentic commerce	Stripe's Emily Sands on agentic-commerce spectrum; Anthropic blueprint for shopping agents building carts from budget/preferences
2026-09-20	@Awesome_O_AI [1600]	Workflow automation (n8n/Make)	"10 ways to make money with AI": AI coaching (teach businesses ChatGPT/Claude workflows, 1-on-1) etc.
2026-09-19	@MartinGTobias [1601]	Other / commentary	VC: most-pitched ideas incl. AI agents for insurance (claims, underwriting) & healthcare back office, company "context brain"

Date	Handle	Offer type	What the post said (summary)
2026-09-18	@ventry089 [1223]	AI receptionist / voice agent	xAI Voice Agent API ~$0.08/min; used for invoice collection calls: collected $4,860 for $4.16 phone cost (collections use case)
2026-09-18	@nathangotch [1514]	ChatGPT Ads	Book launch: ~$4/registrant on Meta vs ~$48/registrant on ChatGPT ads (expensive for lead gen)
2026-09-17	@liamottley_ [1437]	AI UGC / ad creative	Contrarian: huge money will be wasted on custom AI in next 12 months; most businesses should stop spending (video breakdown)
2026-09-17	@TheRundownAI [1602]	ChatGPT Ads	OpenAI testing conversational ads: sponsored brand AI agent opens under answers (e.g. grocery recipes)
2026-09-17	@OpenAI [1357]	Other / commentary	"Astra for Law" offering (GPT-6 Astra) for lawyers & legal-tech firms; @gdb: 26 partner + 47 community legal plugins in ChatGPT, privacy core
2026-09-16	@ElevenLabs [1208]	AI receptionist / voice agent	Launched "Reception": AI receptionist platform for SMBs on ElevenAgents: answers calls, books jobs, texts confirmation, set up from website (commoditisation signal for DIY receptionist agencies)
2026-09-16	@AdamYamada [1603]	GEO / AEO	Companies asking for AI-search/Reddit visibility often never did content/SEO: prerequisite gap
2026-09-15	@TechSalesGuy [1485]	Speed-to-lead / AI SDR	Salesforce building "Hunter" AI SDR into platform (commoditisation of standalone AI SDR)
2026-09-15	@ecommmoose [1604]	AI UGC / ad creative	$100M+/yr ecom brand hiring AI video editors (AI song ads, AI movie ads, new formats)
2026-09-13	@BenediktQuarch [1605]	Claude Code / AI dev shop	German founder building AI agents for law firms + AI-native law firm
2026-09-11	@amanmaqsood [1606]	Other / commentary	Tier list of 12 AI side hustles (Sept 2026); "pick one lane"
2026-09-09	@FavourCommander [1607]	AI receptionist / voice agent	Restaurant AI receptionist (n8n + ElevenLabs): reservations, pickup/delivery orders, CRM capture, notifications
2026-09-09	@CrystaCode [1608]	AI receptionist / voice agent	No-code AI agents for real estate voice, pharmacies, clinics, stores, HR, education
2026-09-08	@freedom_guider [1609]	Other / commentary	Pitch: help ordinary businesses adopt existing AI tools (email replies, updates, repetitive admin)

Date	Handle	Offer type	What the post said (summary)
2026-09-06	@Yashagarwal45 [1610]	AI receptionist / voice agent	voiceraft inbound-call automation seeking commission / % of MRR sales partner (channel model)
2026-09-05	@CodeByPoonam [1334]	Other / commentary	LinkedIn Hiring Assistant breakdown (recruiters juggle ATS, CRM, sourcing tools): incumbent platform
2026-09-01	@shortsqueeznews [1611]	Other / commentary	Banks (Morgan Stanley, Citi, Goldman) pushing large law firms to cut fees due to AI: pressure to adopt
2026-08-28	@irentdumpsters [1511]	ChatGPT Ads	Spent $20,000 on ChatGPT ads → $69,000 returned (~3.45x): local service (dumpster rental)
2026-08-27	@AnthropicAI [1612]	Other / commentary	Model Hardware Standard research preview: agents safely operating physical equipment in research/advanced manufacturing
2026-08-25	@Cameron_MC11 [1613]	AI receptionist / voice agent	Voice agent build: books to client calendar, nurtures callers, sends transcript/summary/next steps per call
2026-08-19	@cit1z3n_ [1614]	AI receptionist / voice agent	Missed-call answering for plumbers, dentists, law offices; 24/7 recurring revenue
2026-08-14	@yourealazyfvck [1615]	AI receptionist / voice agent	"350 AI voice agent clients in 16 months" (claim/video)
2026-08-13	@kiro_hq [1616]	AI receptionist / voice agent	Satire of AAA websites (problem/workflow diagram/book-a-call asking revenue): saturation signal
2026-08-09	@zackpaid [1424]	AI UGC / ad creative	AI ad creative agency (Claude + Seedance) for Meta ads; claims $12M+ generated across 100+ clients; blueprint giveaway
2026-08-06	@farazktwt [1617]	Speed-to-lead / AI SDR	AI side-hustle ranking: AI digital products S-tier, AI lead generation A-tier
2026-08-06	@NickAbraham12 [1618]	AI receptionist / voice agent	Voice agent sold with no money down: works client's CRM leads free until it books first 7 appointments (risk-reversal offer)
2026-08-03	@qurisage [1443]	Claude Code / AI dev shop	2-person Claude Code dev shop competing with full-service agencies ("our team will do it in a day"); $12,000–$15,000 per project
2026-08-01	@symplicured [1375]	Other / commentary	ClinicOS: AI front desk for clinics (India, doctor testimonial)
2026-07-26	@kepochnik [1619]	Claude Code / AI dev shop	PM uses CLAUDE.md as workflow memory + Kanban integration + decision journal

Date	Handle	Offer type	What the post said (summary)
2026-07-14	@verrsane [1620]	Workflow automation (n8n/Make)	(not re-opened on 3 Nov 2026) Advice: AI agencies should become Glean partners; focus on auditing/improving/replacing enterprise workflows
2026-07-12	@kepochnik [1621]	AI receptionist / voice agent	Receptionist design for dental/legal/insurance/healthcare: triage + safe escalation for pricing/treatment/legal questions
2026-07-11	@AiWithIqra [1622]	AI UGC / ad creative	Prompt thread "build a $15K/month AI automation business" (info-product style)
2026-07-04	@Dexonfxf [1397]	Other / commentary	24-yo sells "AI paralegal/AI employees" to law firms (client Q&A, doc organisation, drafting, follow-ups): $5,000 setup + $750/month support
2026-06-29	@Ank17_Developer [1623]	AI receptionist / voice agent	Niche: service businesses losing revenue from slow inquiry response → missed-lead/speed-to-lead automation
2026-06-28	@andreysuperior [1212]	AI receptionist / voice agent	Private/local on-device voice agent, clients pay $2,500/month
2026-06-27	@mikenevermiss [1442]	Claude Code / AI dev shop	Claude Code-built "AI agency" scraping Google Maps for businesses w/o websites; ~47 clients/mo @ ~$400/website
2026-06-23	@andreysuperior [1624]	Workflow automation (n8n/Make)	Someone selling AI agents to small businesses from a mini PC, claims $20,000/month
2026-06-22	@favoritetechgal [1625]	Workflow automation (n8n/Make)	9 intermediate/advanced n8n portfolio project ideas incl. "why clients pay for it"
2026-06-18	@Jacobsklug [1425]	Strategy / training / enablement	250+ apps built + AI agency; agent system where agents do work & humans review (proposals, email drafts, routines); giving away playbook
2026-06-18	@andreysuperior [1210]	AI receptionist / voice agent	AI receptionist sold to hair salon at $399/month (vs $3,000/mo human hire); found via job vacancies
2026-06-18	@0chob [1209]	AI receptionist / voice agent	19-yo with 34 HVAC clients @ $649/month for AI call answering; Google Maps prospecting (<60 reviews), "nobody picked up" cold-call opener
2026-06-13	@rostikdeni [1626]	AI receptionist / voice agent	AI receptionist "can save a local business $5K/month": after-hours messages (repair, cleaning, dental)
2026-06-06	@spwfeijen [1423]	AI UGC / ad creative	Real UGC creators $150–$500/video vs "AI UGC factory" stack (MakeUGC, Claude scripts, GPT Image 2, Seedance 2.0) for Meta/TikTok

Date	Handle	Offer type	What the post said (summary)
2026-06-02	@pukerrainbrow [1627]	Other / commentary	Parody/meme: "$10k per client x 100 clients" (signal of the hype pricing anchor, not substantive)
2026-06-01	@__dolani [1628]	Workflow automation (n8n/Make)	Self-healing monitoring for client n8n workflows (API timeouts, expired creds): maintenance/retainer angle
2026-05-25	@ridark_eth [1629]	Claude Code / AI dev shop	Claude Code autonomously building a "$2K client project" (price anchor for small builds)
2026-05-21	@DeRonin_ [1630]	Claude Code / AI dev shop	Reselling/implementing open-source GitHub repos for businesses at $2,000+/month per client
2026-05-21	@usehandleai [1257]	Other / commentary	Handle: AI agents for insurance brokers; $6M seed led by a16z ("brokerage will be run by agents")
2026-05-19	@andreysuperior [1211]	AI receptionist / voice agent	Clinic replaced $4,000/mo sales manager (9–6 coverage, ~30% follow-up) with AI voice agent
2026-05-19	@starmexxx [1256]	Claude Code / AI dev shop	(Greg Isenberg interview) solo founder $1M/yr building AI agents for real estate agents at $5,000–$10,000/month per client; "boring industries pay most: real estate, insurance, manufacturing, legal"
2026-05-16	@heynavtoor [1631]	Workflow automation (n8n/Make)	White-label open-source Cal.com and sell to dentists and lawyers at $200/month
2026-05-16	@DeRonin_ [1632]	Other / commentary	Faceless AI content factory (Higgsfield) for local businesses incl. restaurants
2026-05-13	@maverickecom [1633]	AI UGC / ad creative	Agency producing AI UGC at volume ("550 videos/day") for ecom brands on Amazon & TikTok Shop
2026-05-12	@RoundtableSpace [1399]	Other / commentary	(not re-opened on 3 Nov 2026) AI-built iOS ordering apps for local restaurants in ~30 min, charging $3,000 each
2026-05-12	@jobsbygeorge [1386]	Other / commentary	Harmony AI: forward-deployed engineers living in US factories deploying AI on the floor (FDE model)
2026-05-10	@ThaaatColin [1634]	Strategy / training / enablement	Gap: many "AI for manufacturing" cos, few supplying the training data
2026-05-07	@neilpatel [1635]	ChatGPT Ads	Adthena: 580 ads on commercial queries, concentrated among few brands: early-mover advantage

Date	Handle	Offer type	What the post said (summary)
2026-05-02	@DeRonin_ [1636]	AI receptionist / voice agent	ElevenLabs Agents resale ideas at $0.08/min; AI receptionist for dentists/salons/clinics replacing $2–3k/mo front-desk
2026-05-01	@omoalhajaabiola [1637]	Strategy / training / enablement	Udemy course "AI Consulting for Healthcare": designing/selling AI to clinics & hospitals (info-product signal)
2026-04-29	@adamguild [1385]	Other / commentary	Grader (Owner.com) "AI CMO for restaurants": claims $1B+ sales driven for customers
2026-04-19	@lukepierceops [1219]	Workflow automation (n8n/Make)	"Clearest path to first $10K/month as AI agency owner"; n8n templates referenced
2026-04-13	@mickeyhardy [1638]	Speed-to-lead / AI SDR	VC portco hiring someone to set up AI sales team (AI SDR, cold email, reply handling): demand for AI-SDR implementers
2026-04-10	@AlfieJCarter [1639]	Claude Code / AI dev shop	"Claude Code GTM Engineering Playbook" (GTM engineering as a service/skill)
2026-04-06	@samuel_spitz [1640]	Speed-to-lead / AI SDR	Replit launched AI SDR ("find your next 100 customers")
2026-04-06	@RoundtableSpace [1641]	Claude Code / AI dev shop	Programmatic SEO with Claude Code: 10k pages e.g. "best CRM for dentists" → claimed $60k/mo
2026-03-31	@lukepierceops [1642]	Speed-to-lead / AI SDR	Only 3 ways to land first AI automation client (network, content, outbound)
2026-03-21	@ycombinator [1183]	AI receptionist / voice agent	PatientdeskAI (YC): AI-native OS for dental clinics: inbound calls, booking, real-time insurance verification, claims; replaces 5 tools
2026-03-19	@0xDepressionn [1643]	Speed-to-lead / AI SDR	"$3k/mo+" AI agency guide: sell automation, AI content, AI lead gen/outreach; pick one niche
2026-03-19	@ZiarKhosrawi [1644]	Other / commentary	Bounti €4M raise: AI for multi-unit restaurants/retail/hospitality ops
2026-03-18	@askwhykartik [1645]	Claude Code / AI dev shop	Claude Code saves 3–4 hrs/project on client Flutter/Firebase work, but needs domain expertise to avoid wrong code
2026-03-13	@Lukealexxander [1646]	Speed-to-lead / AI SDR	AI SDR system: ICP lead finding → enrichment → validation → CRM ("GTM engineering 2026")

Date	Handle	Offer type	What the post said (summary)
2026-01-15	@recap_david [1220]	AI receptionist / voice agent	AI dentist voice agent: practice losing $6,000+/mo from after-hours missed calls (20–25 new patients); "$24,000/yr" deal
2026-01-11	@tobi [1647]	Agentic commerce	Shopify + Google Universal Commerce Protocol (UCP) live: open standard for agent↔retailer transactions
2025-12-18	@NoahEpstein_ [1648]	Workflow automation (n8n/Make)	"$2k/month in 2026" plan: learn n8n basics → pick a niche → sell
2025-11-28	@jasonlk [1649]	Speed-to-lead / AI SDR	"$250k SDR" of the future manages 10+ AI SDR agents, owns $5m+ closed-won
2025-11-20	@garrytan [1650]	AI receptionist / voice agent	Clinics adopting AI voice staff; Stanford Med: ~30% of US healthcare costs are admin/billing
2025-11-07	@NoahEpstein_ [1651]	Workflow automation (n8n/Make)	Price anchors: $2,000 n8n courses, consultants "charging $8K per workflow": being undercut by AI workflow builders (Synta)
2025-11-03	@stackai [1652]	Other / commentary	"AI Agents 101 for Insurance" webinar: automating routine processes, compliance, policy ops
2025-10-26	@salesxsaas [1653]	Speed-to-lead / AI SDR	Skeptic: never seen AI SDR book a qualified call
2025-10-23	@mikefutia [1654]	AI UGC / ad creative	Shopify brand running 900+ AI ads, 20 new AI UGC ads/day (reverse-engineered)
2025-09-29	@OpenAI [1655]	Agentic commerce	Instant Checkout in ChatGPT (Etsy, Shopify) + open-source Agentic Commerce Protocol w/ Stripe
2025-05-29	@EXM7777 [1656]	Workflow automation (n8n/Make)	Client-onboarding automation: ~2 days to build, saves ~8 hrs/week, instant client responses
2025-05-18	@tomcrawshaw01 [1657]	Workflow automation (n8n/Make)	AI SDR system (n8n + GoHighLevel) auto-booking appointments; claims 1000+ meetings & $600K in 90 days for one client
2025-04-08	@ankit_saas [1658]	Speed-to-lead / AI SDR	Lead-magnet "AI Agency Blueprint" 22-page doc; pitch: businesses will build in-house or hire an AI agency
2025-02-25	@ycombinator [1184]	AI receptionist / voice agent	Toothy.ai (YC): AI handles dental insurance calls, verification, reimbursements

Date	Handle	Offer type	What the post said (summary)
2025-01-23	@codyschneider [1411]	AI UGC / ad creative	AI UGC creator-ads agency at $3,000/month retainer; 13 clients = ~$40k/mo; unlimited ad creative + testing + management + Looker Studio reporting

Appendix E. Glossary

E · Glossary

Term	Meaning
AEO / GEO	Answer or generative engine optimisation: making a brand findable and correctly described in AI answers.
Agent (AI agent)	Software that plans and takes actions toward a goal, such as booking, buying or filing, not just answering.
Agentic commerce	Shopping where an AI agent finds, compares and pays on the customer's behalf, using protocols such as ACP, AP2 and UCP.
AI Overviews / AI Mode	Google's AI-generated answers at the top of search results, and its conversational search mode.
Annex III (EU AI Act)	The list of high-risk AI uses, such as hiring, credit and education, with heavier duties from 2 December 2027.
Article 50 (EU AI Act)	Transparency duties: disclose chatbots and label or mark AI-generated content.
Content credentials (C2PA)	An open standard for attaching provenance data to images, video and audio.
EBIT impact	Effect on earnings before interest and tax; used by McKinsey to measure AI's profit impact.
Forward-deployed engineering (FDE)	Vendor engineers embedded with a client to build and deploy AI systems.
GPAI	General-purpose AI models, such as large language models, regulated separately under the EU AI Act.
H100-equivalent	A unit of AI compute, measured against Nvidia's H100 chip.
Open-weight model	A model whose trained weights are published so others can run and adapt it.
Outcome pricing	Charging per result, such as per resolved query or per booking, rather than per seat or per hour.
Sovereign AI	National AI capacity (compute, models, data) under local control.
Speed-to-lead	How fast a business responds to a new enquiry; AI agents cut it from hours to seconds.
Token	The unit of text that AI models read and write; usage is often priced per million tokens.

Appendix F. Data notes

F · Data notes

- **Coverage.** 46 countries and blocs; deep dives for the largest markets. Where research was thinner (for example Pakistan, Bangladesh, Sri Lanka, Israel and Turkey) chapters are shorter and gaps are marked No figure yet .
- **Currency.** Local-currency values are shown as published. USD conversions in the services catalogue use mid-2026 exchange rates and are approximate.
- **Dates.** Evidence to 1 October 2026, with corrections and selected figures to 2 November 2026 added in a later pass. Each later figure carries its own date. Company figures are from the latest published results. Forecasts carry the forecaster's name and date.
- **Checks.** Headline claims were re-opened against their sources on 30 September 2026; links were re-tested and dead links replaced with archived copies where possible. A second cross-check on 2 November 2026 re-tested 491 claims from the November release against live sources. Its corrections are carried into this edition wherever the same claim appears. The documented link test covers 883 links, of which 866 loaded on 30–31 Oct 2026.
- **Secondary sources.** Some figures rely on secondary coverage (for example encyclopaedia entries or digests). These are named in the notes and should be checked against primary filings before being quoted.
- **Updates.** Quarterly updates will refresh the dashboards, the regulation calendar and the services catalogue.

About the author

Indranil Banerjee (Neel) writes and builds on AI, marketing and search at indranil.in, under the Neelverse Lab name.

How this report was made. Written and researched by Indranil Banerjee with AI research agents. Each number links to its public source. The links were reloaded on 30–31 October 2026, and a second cross-check on 2 November 2026 re-tested 491 claims; corrections and new data from 30 October to 2 November 2026 are applied and listed in the change log.

Independence. Public sources only. No company paid for or reviewed this report.

How to cite. Banerjee, I. (2026). *The AI Opportunity Report 2026–27, Global edition.* Neelverse Lab.

© 2026 Neelverse Lab. All rights reserved. Short extracts may be quoted with attribution.