BCG

The AI Maturity Matrix 2026

AI Is Transforming How Economies Develop and Compete

October 2026

By Daniel Kiefer, Christian Schwaerzler, Joerg Hildebrandt, Steven Mills, Lars Littig, Akram Awad, Rami Mourtada, Yoshihisa Niwa, Christopher Daniel, Claudia Newman Martin, Sanjay Nawandhar, and Adnah Bright





About Boston Consulting Group

Boston Consulting Group bridges the gap between ambition and outcomes for the world's leading companies and organizations. We are built for this era of unprecedented change—bringing strategic clarity rooted in over 60 years of deep domain knowledge, combined with applied AI shaped by our practitioners. BCG works shoulder-to-shoulder with CEOs across industries and geographies to deliver transformative impact at scale: stronger returns, transferred capabilities, and change that sticks. For more information, visit bcg.com.

Table of Contents

04 Introduction

07 AI Readiness Is Improving Everywhere, but Not at the Same Speed

09 Exposure: Which Sectors and Jobs Does AI Actually Reach?

11 Readiness: How Fast Can an Economy Turn Capability into Value?

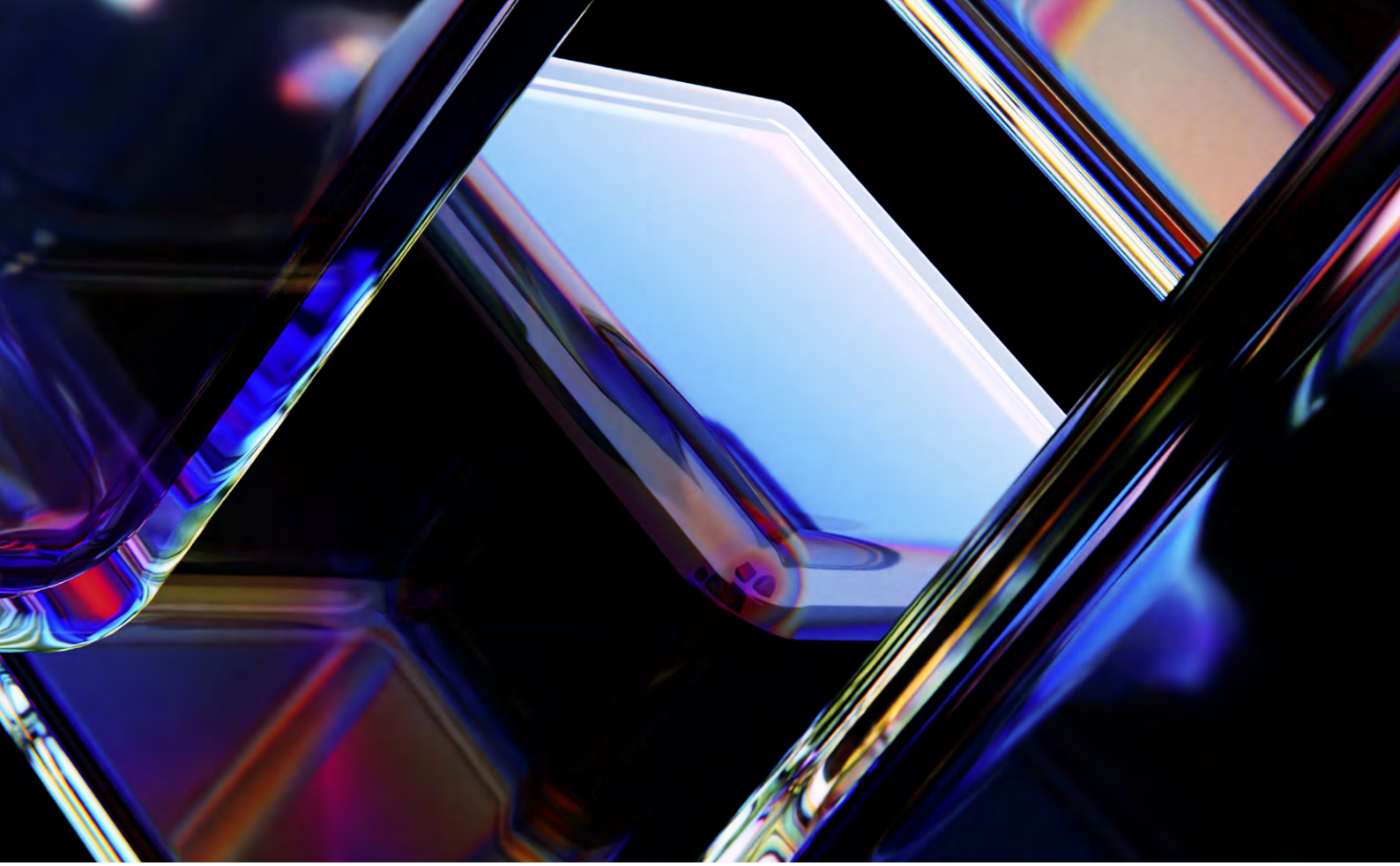
15 Where to Begin?

19 Which Strategic Plays Are Open from Here?

21 Conclusion

23 Our Methodology

26 About the Authors



Introduction

AI is now a proven economic force. Enterprise investment in AI doubled in 2026 from the previous year,[1] and that growth touches every industry. The investment is also starting to pay off.

In a recent BCG survey, nearly **nine in ten CEOs reported cost or revenue benefits** resulting from their AI investment. This is an early indicator of the shift in AI from potential to actual value creation. Business leaders are taking note with **94% saying their organizations will continue their AI investment** even if it doesn't pay off in 2026.

The question now facing economies around the world is no longer whether AI will affect them, but how? Also, who is positioned to capture its value? The answers depend on four factors:

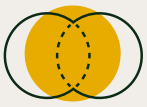
- AI's disruption potential for a country's key economic sectors and existing labor market.
- How quickly an economy can convert AI capability into deployed value.
- A country's strategic options given the current makeup of its economy.
- An economy's ability to adapt to broad economic, social, and environmental changes.

1. As a percentage of firm revenue.

BCG's 2026 AI Maturity Matrix assesses more than 75 economies on two key dimensions—an economy's AI exposure and AI readiness—across 33 indicators, with three new indicators on compute, domestic model development, and regulation added to our analysis this year. We supplement those findings with strategic analysis of steps governments have taken—and can take—to improve their readiness, based on their exposure. (See the sidebar, "Key Concepts.")

An economy's AI exposure is largely determined by the potential for automation and reinvention of its key sectors and the impact on jobs in those sectors. Today, exposure is concentrated in knowledge work, but that exposure will broaden as physical AI and agentic systems advance. In fact, a shift toward disruption of the physical economy is already underway as embodied AI (physical AI that operates machines, robots, and vehicles) grows in capability and scales.

Readiness, the Matrix's second measure, assesses how prepared an economy is to capture AI opportunities. Readiness is measured across six dimensions using the ASPIRE framework, BCG's flagship national AI preparation assessment. The ASPIRE framework represents a country's Ambition, Skills, Policy and regulation, Investment, Research and innovation, and Ecosystem. (See Exhibit 1.)



KEY CONCEPTS

The following are the dimensions of the AI Maturity Matrix:

Readiness assesses how prepared an economy is to capture AI's opportunities. BCG measures readiness across six dimensions using the ASPIRE framework: Ambition, Skills, Policy and regulation, Investment, Research and innovation, and Ecosystem.

Exposure estimates AI's "disruption potential" based on economic structure. Our assessment applies a global sector-level AI exposure factor to the economy's GDP sectoral composition. Because shifts in economic structures are gradual, exposure moves more slowly than readiness.

EXHIBIT 1

ASPIRE Measures an Economy's Readiness Across Six Dimensions



A

Ambition

- Existence and recency of AI strategy including revisions
- Existence of specialized AI government agency/ministry



S

Skills

- Number of AI-related specialists (share of population)
- Total public contributions in GitHub by top 1000 users
- Kaggle Grandmasters
- Number of Python package downloads (share of population)



P

Policy and regulation

- Overall regulatory quality
- Overall governance effectiveness
- Overall data governance
- Overarching national AI legislation



I

Investment

- Value of AI-unicorns
- Total funding of AI companies
- Overall VC investments
- Market cap of IT & tech-related companies (share of GDP)
- Computer software spending (share of GDP)
- Value of trade in ICT services (per capita)
- Value of trade in ICT goods (per capita)



R

Research and innovation

- Research papers published in AI
- AI-related patents
- Number of top-ranked universities in data science & AI
- Domestic AI model development
- Number of AI startups



E

Ecosystem

- Number of data centers
- AI compute capacity
- Accessible national supercomputer capacity
- Public cloud spend per tech employee
- Adoption of emerging technologies by companies
- Fixed broadband internet traffic per capita
- Access to low-cost electricity
- Telecommunication infrastructure index score
- Average download speed
- Performance of national statistical systems

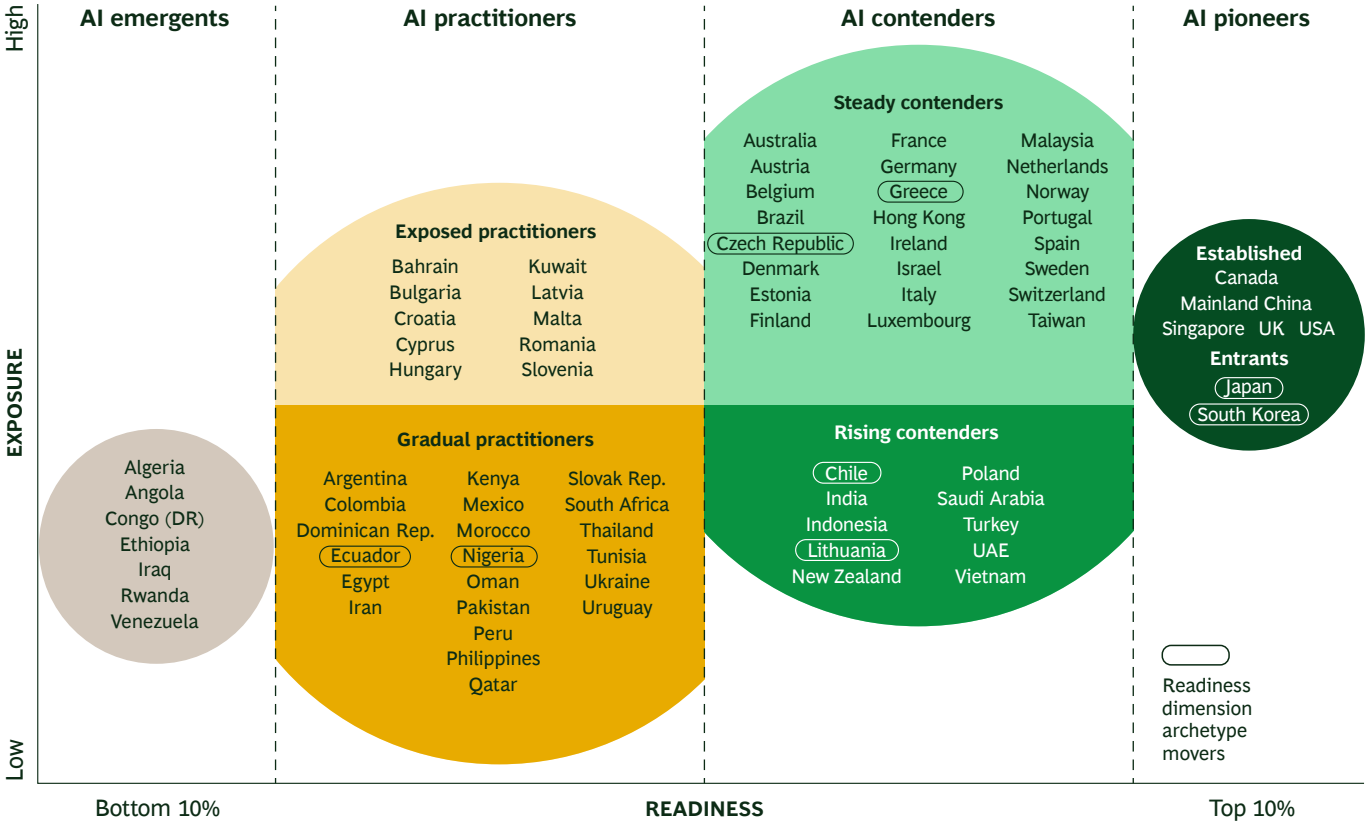
New indicators added for 2026 Matrix

Sources: BCG Center for Digital Government; BCG Center for Public Economics; BCG analysis.
Note: ICT = information and communications technology.

The Matrix allows us to assess an economy's AI maturity—defined by its exposure and readiness—and articulate it in a single visual. The Y axis tracks an economy's AI exposure, from low to high, and the X axis demarcates an economy's AI readiness (or its progress through the ASPIRE stages). Within the overall matrix, we classified individual economies' exposure and readiness into one of six archetypes of economies. These are (from highest readiness to lowest, with subgrouping based on exposure): AI Pioneers, Contenders (Steady and Rising), Practitioners (Exposed and Gradual), and AI Emergents. (See Exhibit 2.)

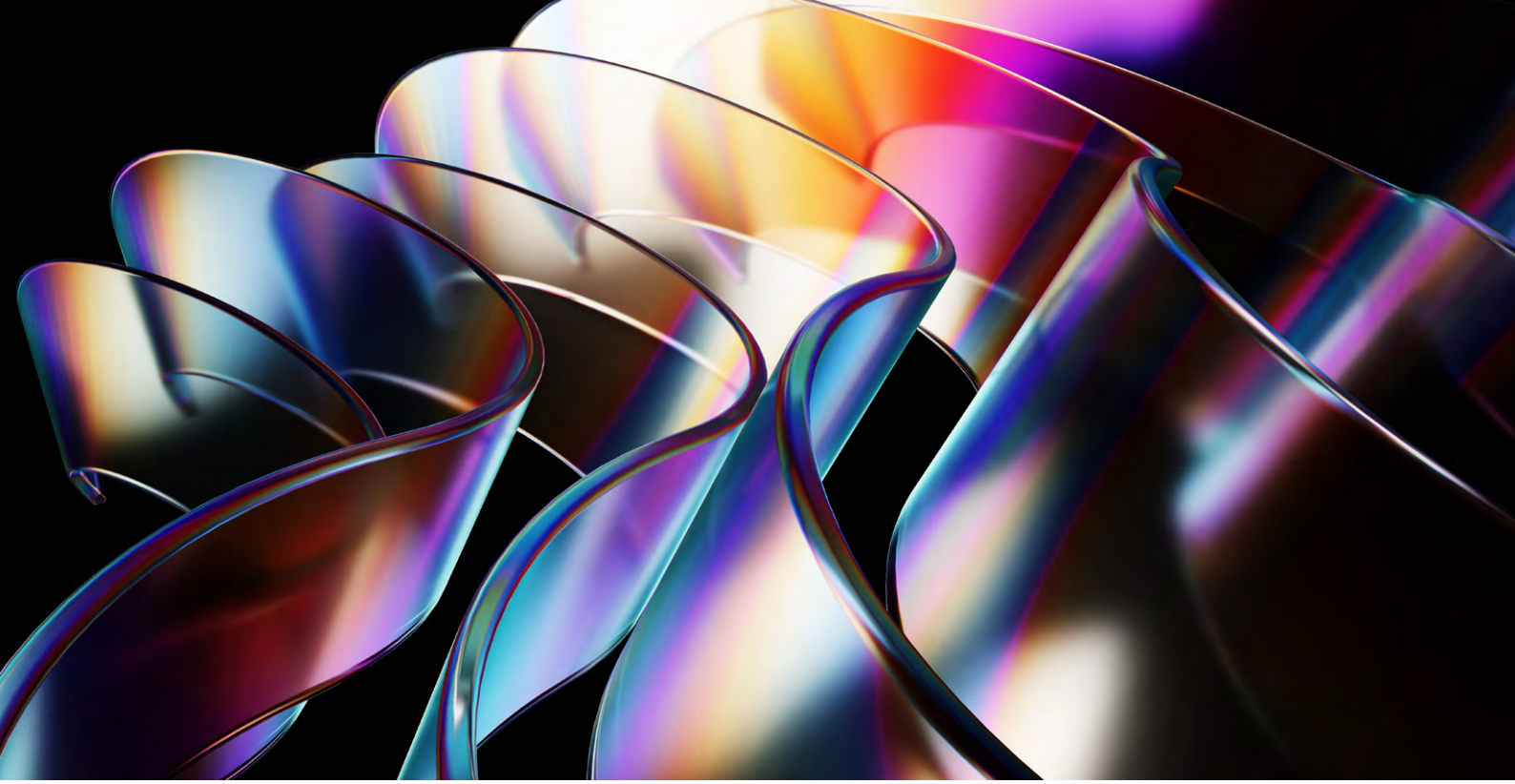
EXHIBIT 2

Eight Economies Changed Readiness Archetype Since 2024, and Japan and South Korea Reached the Top Tier



Archetype bands are defined by readiness and exposure percentiles. As the number of economies covered in the matrix since 2024 increased to 79, the number of economies within each percentile band scales accordingly.

Source: BCG analysis.
Note: Economies named within each archetype are listed in alphabetical order, not order of priority.



AI Readiness Is Improving Everywhere, but Not at the Same Speed

In the two years since BCG compiled the first AI Maturity Matrix, most economies have made meaningful progress in their AI readiness, leading to higher scores across the study.

Nearly every economy progressed in at least one ASPIRE dimension in 2026, and eight moved up to a more advanced readiness archetype: Japan, South Korea, Greece, the Czech Republic, Chile, Lithuania, Ecuador, and Nigeria.

A government's capacity to facilitate AI development is a key driver of archetype improvement. Among leading economies, Japan and South Korea joined the AI Pioneers as an entrant (alongside established pioneers Canada, Mainland China, Singapore, the United Kingdom, and the United States). Japan leveraged its ability to attract partners and an AI-friendly regulatory framework to build up its ecosystem. Japan was able to secure large hyperscaler commitments, including Anthropic's first Asian office and national public and private investments in data centers and compute. South Korea has shown leadership in domestic model development, ranking in the top five globally for notable models in the Stanford Institute for Human-Centered AI's 2026 AI Index. The country has also directed large-scale public investment in developing its ecosystem and building up compute.

In the 2026 Matrix, AI ambition is no longer enough to differentiate an economy. Nearly every economy now has a published AI strategy, and what differentiates the economies that made the most progress on the Matrix is the scale and speed at which their capability was built up. (See the sidebar, "Five AI Readiness Signals Leaders Should Be Tracking.")

FIVE AI READINESS SIGNALS LEADERS SHOULD BE TRACKING

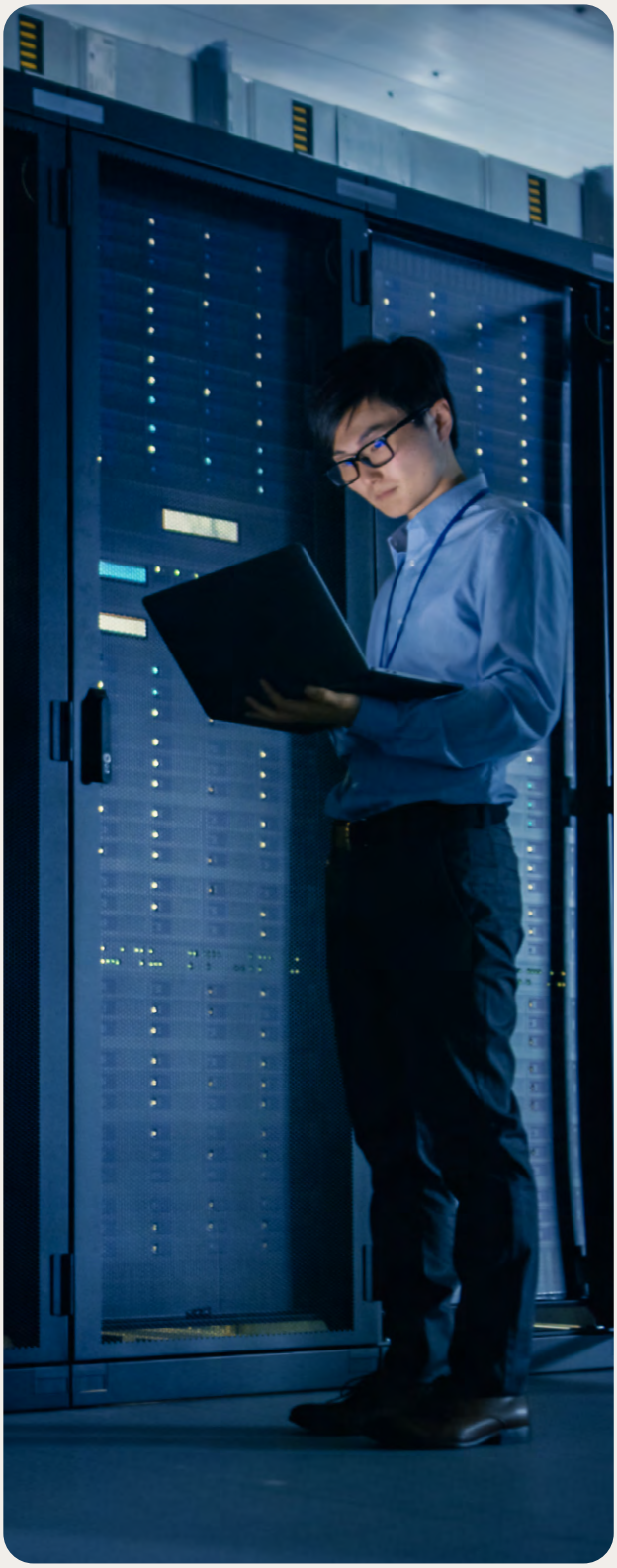
1 **Permitting Velocity.** How long do required government approvals take to green light an AI facility, and how long until the facility is up and running? Where permitting is fast, it is a reliable signal of both intent and capacity.

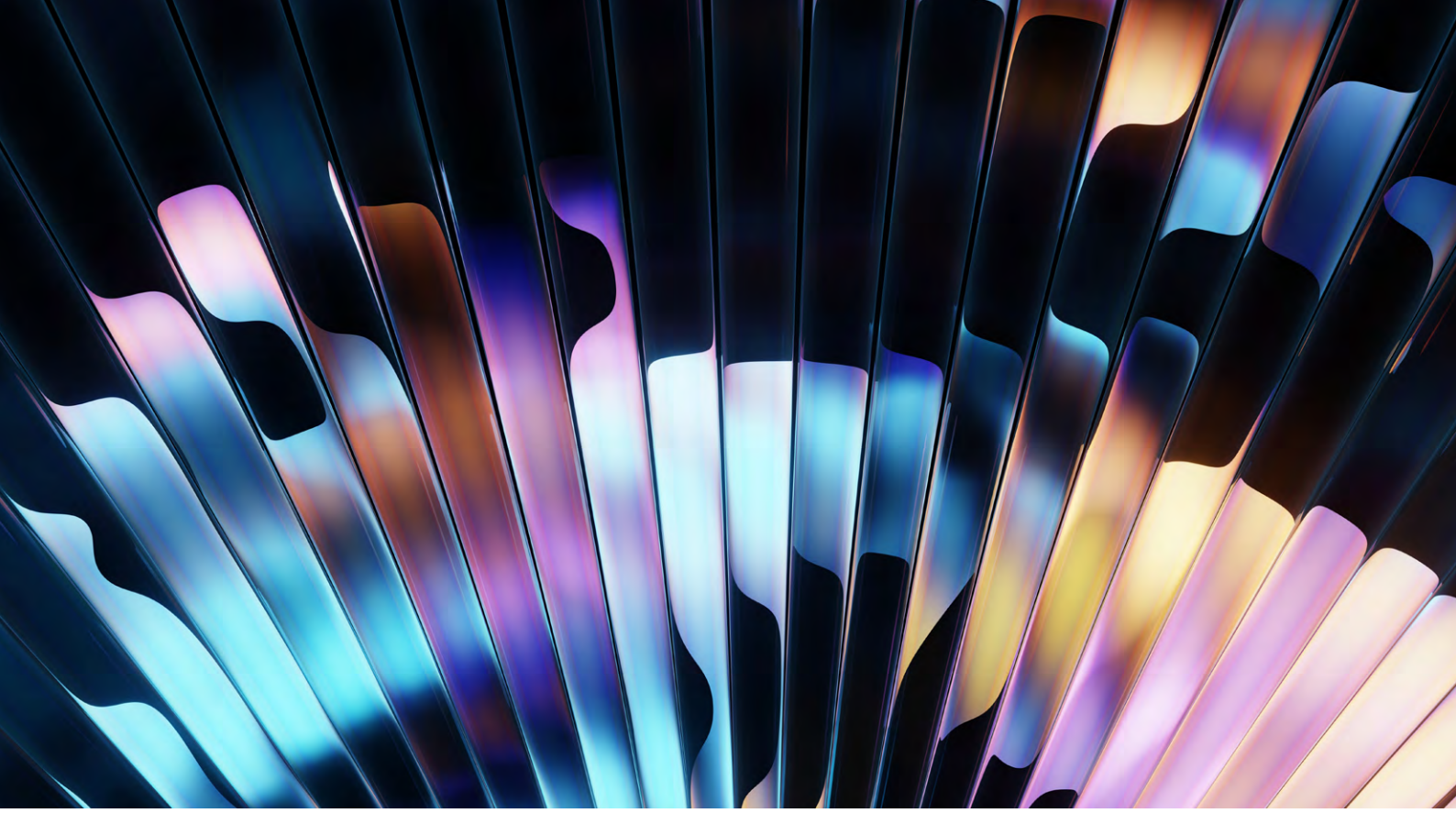
2 **Deployed Sovereign Capital.** The meaningful signal is capital that has cleared treasury approval, reached an implementing agency, and been tied to specific infrastructure targets.

3 **Hyperscaler Activation.** Hyperscalers conduct exhaustive due diligence before committing capital at scale, including assessments of policy stability, energy availability, and regulatory clarity. Where hyperscalers have deployed, the investment environment has been stress-tested by an entity with capital at risk.

4 **Energy Pricing and Grid Access.** AI infrastructure is, at its core, an energy business. Electricity priced well below industrial averages is a structural advantage that compounds across a data center's operating life, which is the position of much of the Gulf States. Renewable energy availability is rising in importance as a cost constraint, as well as social and environmental constraints.

5 **Regulatory Position.** Economies that have made explicit, public decisions about which layers of the stack they will govern at home and which they will source from partners face less regulatory uncertainty. Japan's framework legislation, written with the explicit goal of making the country the world's most AI-friendly environment, is a policy signal as much as a legal instrument.





Exposure: Which Sectors and Jobs Does AI Actually Reach?

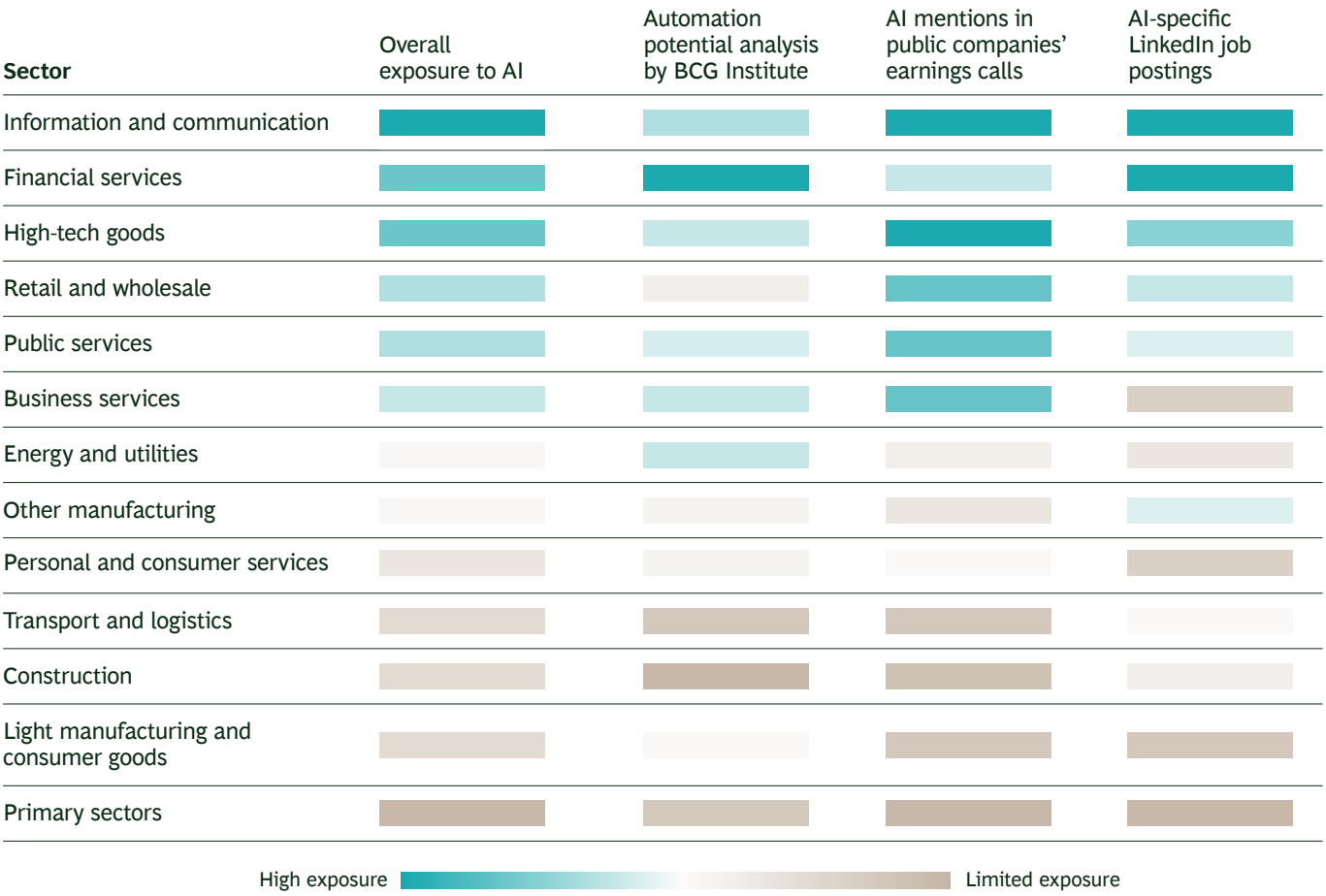
This year's AI Maturity Matrix offers a more sophisticated look at the extent of AI's reach today. While task-level analysis deepens our understanding of automation potential, exposure and its impact are expected to evolve with AI's growing capabilities.

Exposure is now measured at the task level. AI exposure, or the automation of tasks and the redesign of jobs, in key economic sectors is measurable at a granular level. What was theoretical two years ago, in terms of job exposure, is now quantifiable. Enterprise data, hiring patterns, and capital flows now show where AI is already reshaping work, while the rise of agentic AI (systems that carry out multistep tasks instead of assisting with just a single task) has widened the scope of jobs that AI can reshape. The BCG Institute's modeling suggests that roughly half of US jobs could be meaningfully redesigned over the next two to three years, with around one in ten at risk of displacement over a longer horizon. A potential transition on that scale is emerging as a national policy priority that could require active management by governments. (See Exhibit 3.)

Exposure is concentrated in knowledge work today, but physical AI is growing. For now, exposure is greatest where AI is most capable: language and code. As embodied AI advances and scales across humanoid robotics and industrial automation, more physical industries, like manufacturing, logistics, and agriculture, are expected to increase in exposure. Mainland China is pairing the largest share of global robot installations with an explicit national target to mass deploy humanoid robots. The two AI frontiers, digital and physical, reward different attributes and will have different workforce impact: digital leadership has been built largely on model scale and research depth, while emerging leaders in physical AI have an established industrial base. Japan and Mainland China have focused their ambitions on this shift. Japan has concentrated its frontier ambitions on physical AI and investing resources in industrial robotics. Mainland China is using its leadership in global robot installations to propel a transition to humanoid robotics.

EXHIBIT 3

Exposure Is Highest in Information, Financial Services, and High Tech, and Lowest in the Primary Nontech Sectors



Sources: BCG Institute; BCG analysis.
Note: Primary sectors include agriculture, nonmetallic minerals, metals, mining. Personal & consumer services include accommodation and catering, arts, recreation, unions, and personal services.

Business leaders' workforce strategy choice is between augmentation and substitution—and national policy follows. As businesses in different industries adopt AI and respond to its impact on their sector, they're choosing between augmentation of their workforce—redesigning roles to enable people to collaborate with AI—and substitution of their workforce, where AI alone performs tasks previously performed by people. These two approaches, at scale, have a meaningful impact on not just the number of jobs available, but also the economic value of these jobs. Government needs to help business on upskilling as they navigate this terrain In India, which has benefitted from highly skilled and AI talent inflows of returning nonresident Indians from the US, UK, UAE, and Canada, the government has launched a multifaceted approach including Yuva AI for ALL, a free foundational AI course, that aims to upskill 10 million of its citizens. The government also established targeted programs, like IndiaAI FuturesSkills, to set up AI labs in smaller cities, providing professional certifications aimed at democratizing access to AI education nationwide and building a pipeline of AI-skilled professionals.

Lower existing AI exposure still leaves room for sector spillover. The strategy is that AI deployed at scale in an anchor industry increases capability in the engineering, logistics, and service suppliers currently built around that anchor sector. Saudi Arabia, for example, is already looking to maximize spillover in its energy sector. In Rwanda and Ethiopia, and across Africa in economies where agriculture remains a dominant GDP contributor, AI-powered agricultural technology can lift productivity and generate spillover into adjacent industries.



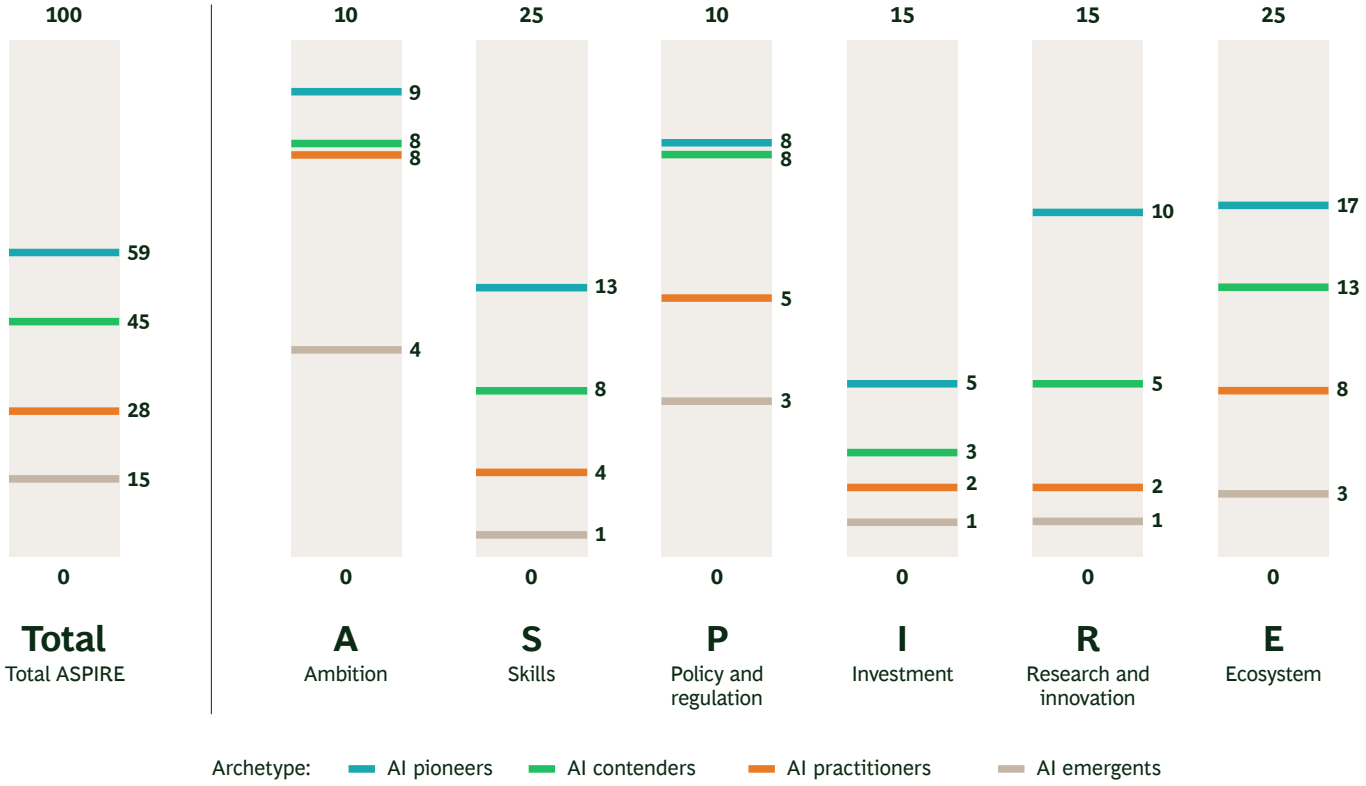
Readiness: How Fast Can an Economy Turn Capability into Value?

In 2026, readiness is almost entirely determined by the speed with which a nation can act on AI exposure.

How fast the country can convert its current exposure into working capability determines how much of this potential it fulfills. (See **Exhibit 4**.) Below we look at all six ASPIRE dimensions and how they affect the readiness of specific countries.

EXHIBIT 4

Ambition Setting Is Near Universal, Operationalization Is Not



Sources: BCG Center for Public Economics; BCG analysis.

Ambition. Now that nearly every economy assessed has published an AI strategy, what separates leaders is whether they implement that strategy and refine it. Japan, Saudi Arabia, South Korea, and the UAE each moved from AI strategy commitment to working capability.

Skills. Because talent takes years to build, the labor market has split into a contest for AI-native talent and initiatives to retrain and retool the larger workforce. At the top, competition tightened sharply for AI-native talent, defined as people who entered the workforce already fluent in these tools and who use them by default. Below that tier of workers, the wider workforce needs sustained retooling to remain central to how value is created. Winning the top tier of AI-native professionals has become harder. That is because the pool of highly skilled professionals is shrinking: cross-border relocation of AI talent fell 12% in 2025, increasing the competition for an even smaller hiring population. BCG's Global Talent tracker provides a detailed analysis of AI talent attraction and retention on a global scale.

Policy. Countries now use policy to attract investment as much as to constrain risk. In 2026, we see both minimal-constraint regimes, which compete on innovation-friendliness, and oversight-based regimes, which compete on establishing trust in their AI approach.

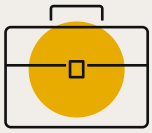
Among the regimes favoring openness, the US removed regulatory constraints to boost competition for capital and compute. Japan has established legislation without financial penalties as a move toward AI-friendliness.

At the other end of the spectrum, South Korea has a promotion-oriented framework that carries binding obligations. Regardless of stringency, establishing a regulatory position provides investors the required clarity and stability for long-term investment attraction.

The distinction between the two approaches is fading, however, as responsible-AI provisions covering transparency, redress, and human oversight in high-stakes use cases become a condition of sustained adoption across the spectrum, including in the more open regimes.

Investment. Economies have pursued three investment models that determine how much AI capability they are able to control.

- **Concentrated sovereign capital** offers the most direct route to scale but requires strong fiscal capacity and disciplined execution. South Korea has taken this route, with a national compute target and state procurement contributing to meet that target.
- **Bilateral and multilateral country partnerships** spread both cost and capability, but depend on intergovernmental coordination that often slows down when national interests diverge. This is the tradeoff that is part of Europe's pooled compute programs.
- **Hyperscaler partnerships** (the agreements with the handful of global companies that run computing at enormous scale) deliver capability fastest and integrate across each of the approaches listed above. The largest of these commitments run tens of billions of dollars in a single country. (See the sidebar, "AI Sovereignty Is a National Portfolio Choice.")



AI SOVEREIGNTY IS A NATIONAL PORTFOLIO CHOICE

AI sovereignty has moved from being an abstract concept to becoming a policy priority for individual nations. Sovereignty has four components (chips, compute and cloud, models, and applications), and owning all four is exceedingly rare. It is therefore best read as a choice about which dependencies to hold. For every economy short of full-stack autonomy, hyperscaler and frontier-vendor integration is the consistent enabling layer, whichever capital model it chooses.



Research and Innovation. Outside the AI Pioneer tier, research focus has shifted from producing frontier capability to absorbing it and adapting it locally. Frontier models (the largest and most capable systems, at the leading edge of what the technology can do) remain highly concentrated in the US and Mainland China. As AI Pioneer-tier research budgets remain largely out of reach for most other economies, a credible approach can be found among the following options:

- **Openly published models** are released with their parameters so they can be adapted locally instead of only accessed as a service. These open models have helped localize frontier capability. Nigeria and Indonesia both used this route to build models in their own languages.
- **Regional research consortia** pool development capabilities, as the European Union has done.
- **Sovereign-fund partnerships** can give economies a seat at the frontier-lab table, a route the Gulf States have taken to secure early visibility of frontier development.

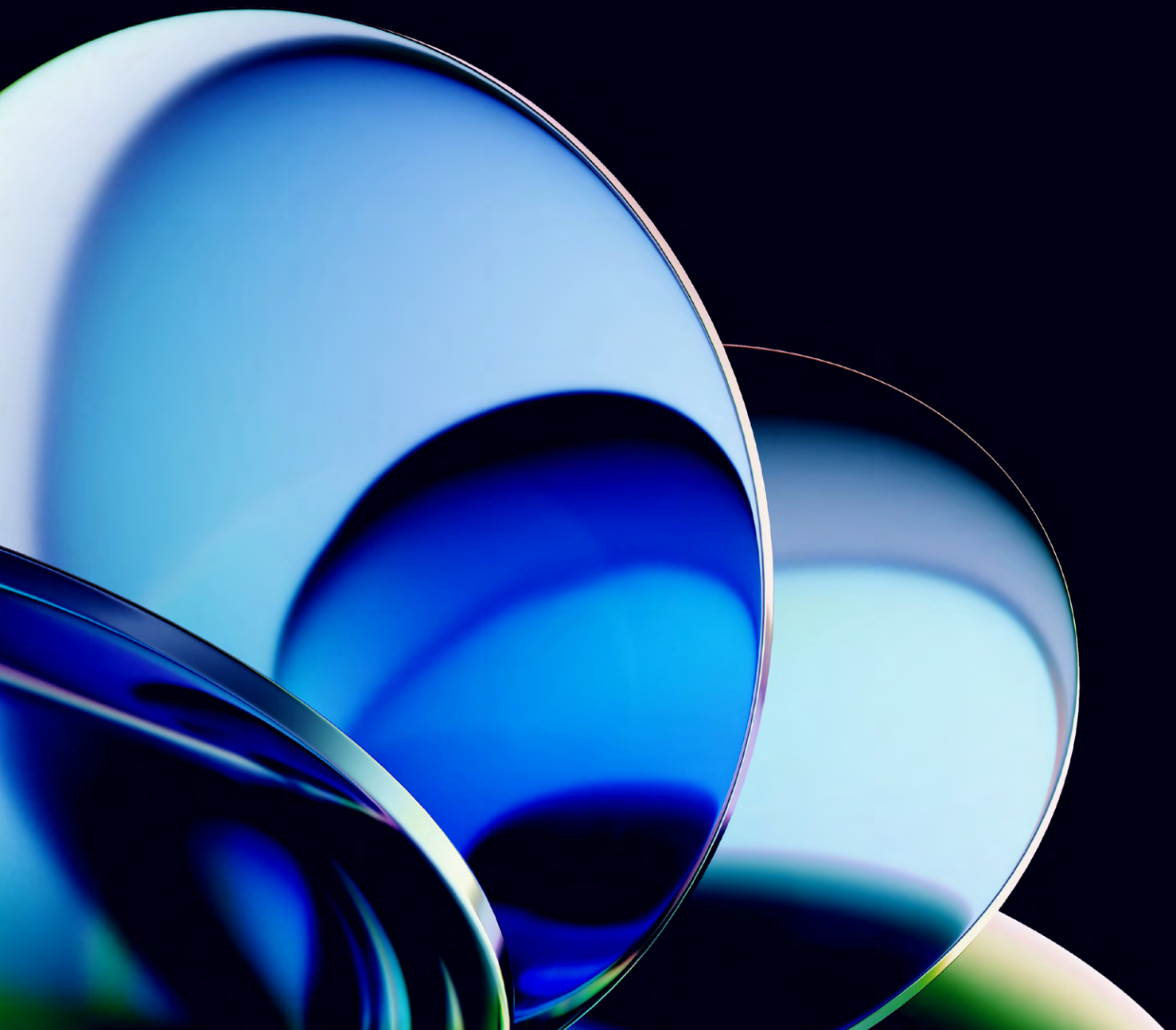
Ecosystem. The constraints on where AI capacity gets built are now physical. Power availability, permitting speed, and interconnection ability are what decide placement of AI facilities. In this case, AI infrastructure means chips, compute and cloud, plus the electricity and connectivity that make them usable. Physical AI infrastructure is, for the time being, as important as software or talent advantages.

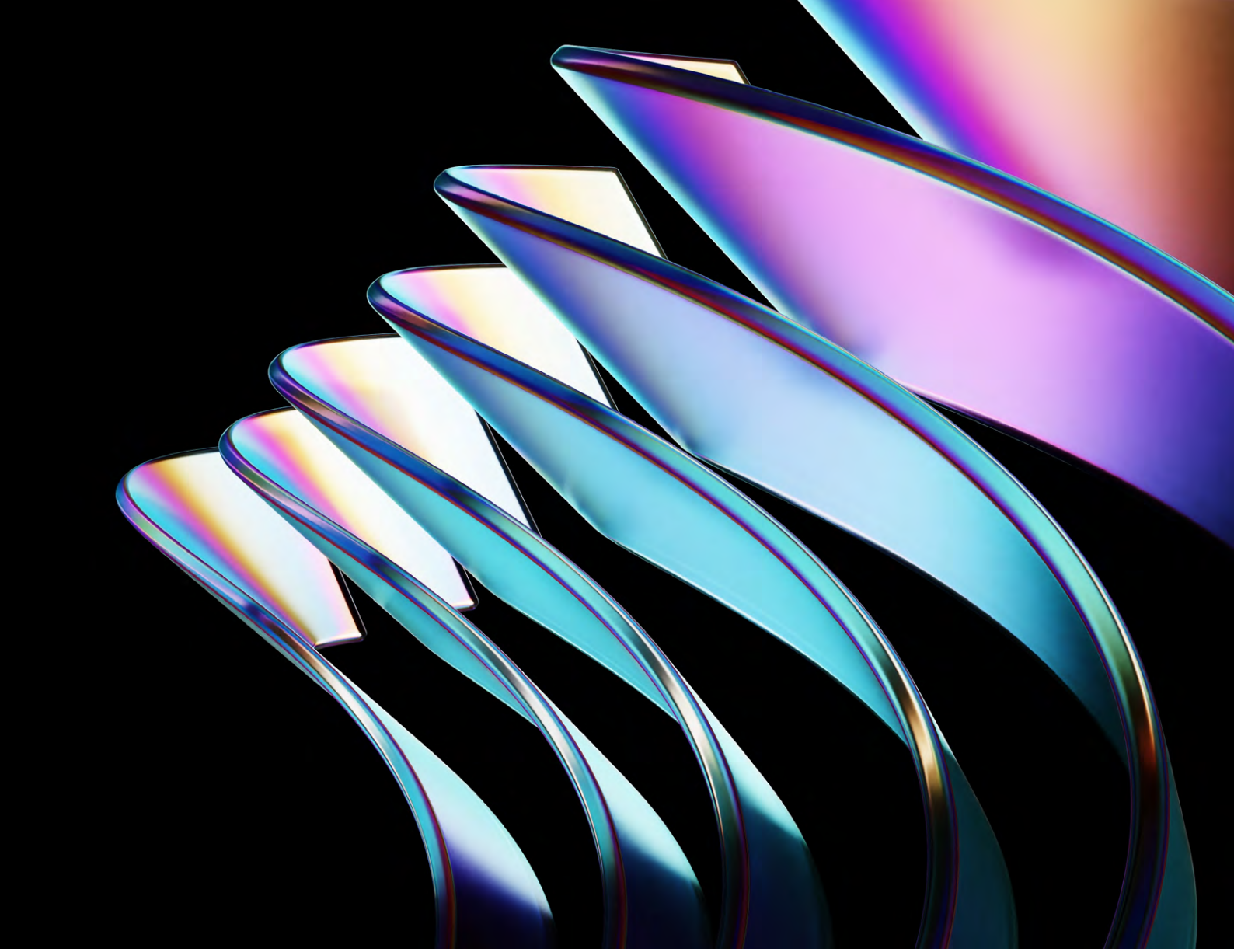
Permitting and connection speed have emerged as key enablers for AI deployment at scale. The US fast-tracked AI data centers and pressed its energy regulator to speed up grid-connection review. Planning consent, grid connection, contracting with power companies, and obtaining connectivity provisioning operate on their own timetable within an economy. The economies that are currently moving fastest are those that have reduced the time it takes to complete all four, rather than speeding up any one part of the deployment process.

The ecosystem is therefore a gauge of institutional agility, not just a measure of installed infrastructure. Partnership selection is part of that equation, as the suppliers of the physical layers (hyperscalers, chip vendors, and grid operators) also contract on their own timetables.

Today's ecosystem leaders are the US, Singapore, Japan, and South Korea. Economies with existing structural advantages in energy, geography, or regulatory speed are often successful in building their AI ecosystem. Examples of structural advantages are: Lithuania's permitting reform; Greece's undersea fiber optic cables serving the Middle East, North Africa, and Asia; the United Kingdom's designated AI Growth Zones; and the Gulf States' access to cheap electricity.

Nearly every economy now has a published AI strategy, and what differentiates the economies that made the most progress on the Matrix is the scale and speed at which their capability was built up.





Where to Begin?

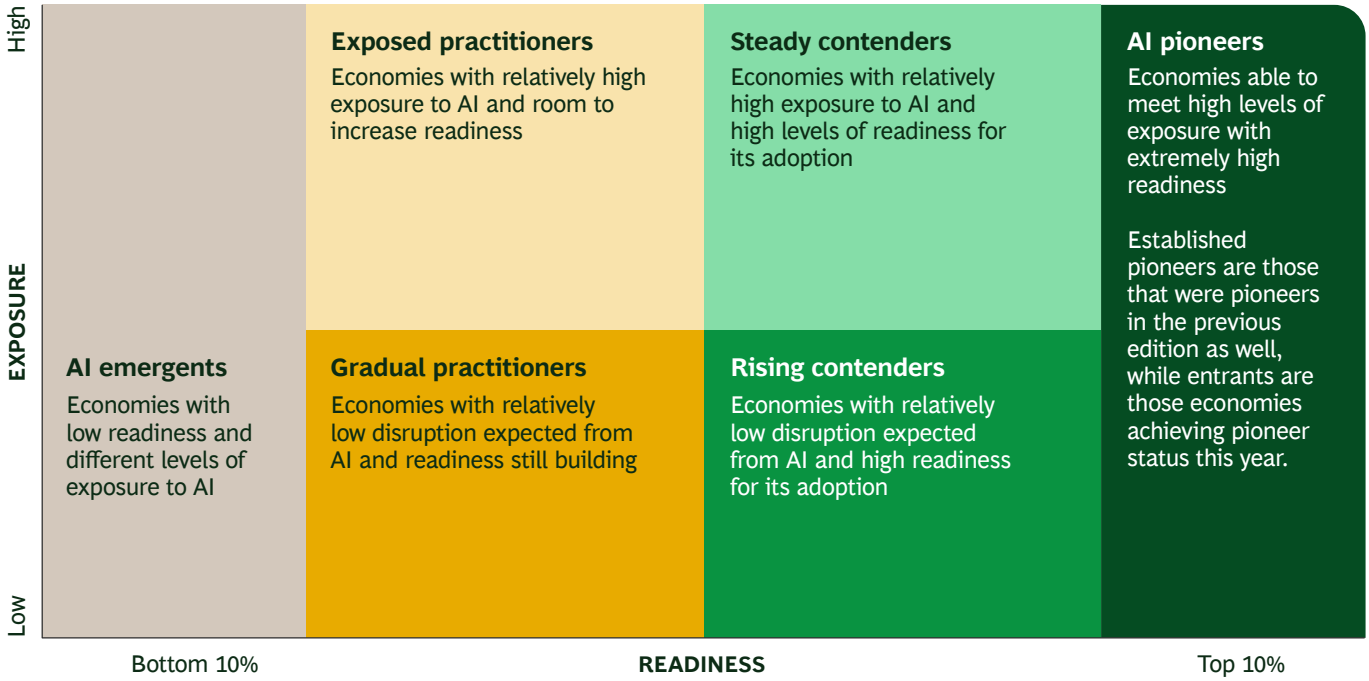
Governments can begin their AI journey by determining both the risk of their exposure and their readiness to act.

Together, exposure and readiness indicate where on a spectrum of our six archetypes a particular economy stands, which in turn determines which route is open to it. (See **Exhibit 5**.) Today, nearly every country has an AI plan, which is why execution, rather than intent, is the key variable in this year's AI Maturity Matrix.

The descriptions of our six archetypes below can help determine where an economy currently stands and what options for AI development are open to it.

EXHIBIT 5

Six Archetypes Emerge, Based on Readiness and Exposure Positions



Sources: BCG Center for Public Economics; BCG analysis.

AI Pioneers

(Canada, Mainland China, Japan, Singapore, South Korea, the United Kingdom, the United States)

AI Pioneers are differentiated from other economies primarily by how deeply and widely they have developed AI in their economies. Pioneers operate at the frontier across most layers of the AI stack but have made deliberate choices about where to govern at home and where to source through partnership or procurement. The 2026 entrant pioneers, Japan and South Korea, closed the gap by passing comprehensive AI legislation deploying sovereign capital at speed, and scaling domestic compute. (See the sidebar, "How Japan Joined the Pioneers.")

- **Singapore** balances managed dependence, sourcing frontier compute and models externally, while excelling in ecosystem development. Rather than focus on frontier R&D, Singapore made a pragmatic choice to aim resources on AI adoption and absorption. That is, acquiring AI capability developed elsewhere such as through openly published models, and adapting it to local needs. Combining a strong ecosystem with a skilled workforce and leading hyperscaler partnerships, Singapore is well positioned to establish a regional hub.

- **The United Kingdom** pursues strategic autonomy with foreign-chip dependence, targeting a 20-fold expansion of sovereign compute capacity by 2030, backed by public funding and a dedicated sovereign AI program. Since July 2026, the new government has elevated AI to Cabinet level and is prioritizing domestic AI capability.

Steady Contenders

(Australia, Austria, Belgium, Brazil, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Luxembourg, Malaysia, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Taiwan)

These economies have high exposure and sufficient readiness to act on it, while operating below the Pioneer frontier. Their profile is a spike rather than uniform breadth, defined by near-Pioneer performance on one or two readiness dimensions and good-enough performance elsewhere. With sovereign investment scale concentrated in the United States, this group has built that spike by one of two routes: concentrated sovereign capital that funds national champions and flagship infrastructure, or multilateral pooling that spreads both cost and capability but moves at the speed of coordination.

- **France** channels capital through a national-champion model, pairing public investment with their foundation-model developer and a dedicated compute cluster in Paris.

- **Germany** illustrates the pooling route by bringing Europe's first exascale supercomputer into service and pairing it with a large national technology agenda, a venture capital mobilization target, and cofunded compute and shared frontier capability across the EU.

HOW JAPAN JOINED THE PIONEERS

Japan has achieved world-leading Pioneer readiness on the back of AI-friendly legislation, powerful domestic and international partnerships, and its dominance in industrial robot production. To further its ambition, the government-backed Noetra aims to build a domestic foundation model for robotics and physical AI.

Three drivers of AI readiness

1 Japan has attracted large commitments from hyperscalers and frontier AI developers, including Anthropic's first Asia-Pacific office and multibillion dollar investments in AI infrastructure. These include data centers and compute capacity, alongside domestic public and private capital.

2 Framework-only national legislation carrying no penalties, took full effect in September 2025 with the stated goal of making Japan the world's most AI-friendly regulatory framework.

3 Manufacturing depth is the foundational strength. Japan remains the world's largest producer of industrial robots, with over one third of global output and the third largest market for installations, after Mainland China and the US.



Rising Contenders

(Chile, India, Indonesia, Lithuania, New Zealand, Poland, Saudi Arabia, Turkey, UAE, Vietnam)

These economies have built readiness strengths where their capability already matches or exceeds Pioneer levels. Each identified one or two structural advantages (talent depth, sovereign capital, energy, language assets, regulatory clarity) and built Pioneer-tier capability there with high readiness despite lower AI exposure due to the makeup of their economies.

- **India** concentrates on Skills with a large pool of AI specialists, an IT-services workforce whose existing work in managed delivery and process operations governed by service-level agreements is structurally adjacent to supervising AI systems, and rising influence demonstrated by its hosting 2026's AI Impact Summit.

- **Saudi Arabia** is building a leading AI ecosystem alongside a sovereign-owned national champion at the center of its AI economy. The country combines AI-enabling infrastructure with an Arabic-language model, a large domestic data center program, and chip and cloud partnerships that rank among global leaders in AI ecosystem strength.

- **The UAE** strategically leverages sovereign capital investments and leading partnerships to accelerate its AI capabilities. MGX, the AI investment vehicle launched by Mubadala and G42, became an initial equity funder of OpenAI's Stargate Project. At home, Stargate UAE, within the 5GW UAE-US AI Campus, is the first Stargate deployment outside the US. Microsoft has also supported the UAE government's cloud and compute capacity development with $15 billion in long-term investment.

Exposed Practitioners

(Bahrain, Bulgaria, Croatia, Cyprus, Hungary, Kuwait, Latvia, Malta, Romania, Slovenia)

These economies sit in the upper-middle readiness band with high exposure concentrated in service-export and specialized industrial sectors. While there are high opportunities here, readiness is still being advanced.

- **Bahrain** has established Awareness and Education as a pillar of its national AI policy, committing to train roughly a third of the Bahraini workforce in AI by 2030. This is an example of a pragmatic and value-focused initiative for an economy where high AI exposure industries, like financial and insurance services, are its largest non-oil sectors.

- **Hungary** is using its automotive base as the absorption point. Its national AI strategy names AI-optimized manufacturing and logistics among its priorities in a sector accounting for roughly a fifth of national exports. Foreign carmakers have begun locating AI-enabled research and quality functions in the country.

Gradual Practitioners

(Argentina, Colombia, Dominican Republic, Ecuador, Egypt, Iran, Kenya, Mexico, Morocco, Nigeria, Oman, Pakistan, Peru, the Philippines, Qatar, Slovak Republic, South Africa, Thailand, Tunisia, Ukraine, Uruguay)

These economies are following a sequenced build. Two distinct national-capability patterns are visible in the group, and both are repeatable. The first is state-led sovereign infrastructure, a top-down build of compute, ministries, AI law, and skilling programs. The second is partnership-led absorption, combining openly published models with hyperscaler skilling commitments and concentrated sector bets.

- **Nigeria** supplements its national AI strategy with an open source multilingual model built on LLaMa. Adopting partnership led growth, the country has also secured large private sector investments in data centers, hyperscaler-backed skilling targets, and operates an AI Scaling Hub.

AI Emergents

(Algeria, Angola, the Democratic Republic of the Congo, Ethiopia, Iraq, Rwanda, Venezuela)

These economies are working out how to absorb AI productively while foundational readiness elements are still being put in place. Rwanda shows what is available at this tier starting from a low readiness base.

- **Rwanda** is a clear example of a state's influence running ahead of its current AI capability. Rwanda became one of the first African nations to approve a dedicated National AI Policy and built on that momentum to secure $7.5 million from the Gates Foundation to host Africa's first AI Scaling Hub.



Which Strategic Plays Are Open from Here?

There are six viable paths forward across the matrix, depending on the economy's starting point.

In Exhibit 6, we lay out the paths for each archetype. Below we outline strategic next steps for any economy for each ASPIRE dimension.

Ambition: Continually update the strategy and elevate ownership to reflect priority. A public ambition signals intent, but an action plan with targets, funding, and a dedicated entity convert ambition into capability. For those establishing foundations, a published strategy and an AI authority are an important first step.

Skills: Fund AI skilling and reskilling on the same footing as compute, since a pipeline of talent takes time to build and adoption stalls without it. Compute can be procured in months, but talent cannot. That makes skills the dimension that most often determines the success of the other dimensions. Fund the implementing agency every year, with a clear leader. Be sure to fund skilling and reskilling for both the small pool of AI-native hires everyone is bidding for, as well as the larger workforce already in place.

Policy: Ensure the national regulatory stance aligns with the investment attraction strategy. When the rules are in flux, investors add a risk premium. State publicly which layers will be governed domestically and which you will buy in. Write the rules on transparency, redress, and human-oversight into the plan at the outset.

EXHIBIT 6

Differentiated Paths Forward for Each Archetype

		A	S	P	I	R	E
AI Pioneers 7 economies | High exposure, extremely high readiness **Frontier**	Shape global AI standards via governance and safety frameworks; invest in frontier research and skills; manage strategic interdependencies.	●	● ● ●	● ● ●	● ●	● ● ●	● ●
Steady Contenders 24 economies | High exposure, high readiness to adopt **Portfolio**	Close the gap with Pioneers via the full ASPIRE portfolio, not one or two spikes: tighten AI governance, build talent pipelines, and leverage sector strengths as absorption points.	●	● ● ●	● ●	● ●	● ●	● ● ●
Rising Contenders 10 economies | Low exposure despite high readiness **Absorption, for value**	Don't imitate Pioneers broadly—double down on the leading ASPIRE dimension, build cluster effects. Value rises as capability deploys across sectors.	●	● ●	● ●	● ●	● ●	● ●
Exposed Practitioners 10 economies | High exposure, room to improve readiness **Concentrated bets**	Pick sector bets for fast adoption, retool workforces into AI-orchestrated roles, and invest in governance, skills and infrastructure.	● ●	● ● ●	● ●	● ●	●	● ● ●
Gradual Practitioners 21 economies | Low exposure and readiness still building **Sequenced build**	Value realization is the play—focus on strategy setting with a clear implementation owner; invest in compute and skilling in sector bets.	● ●	● ●	●	● ●	●	● ●
AI Emergents 7 economies | Low exposure and low readiness **Foundations first**	Establish foundational ASPIRE elements—published strategy, designated AI authority, baseline data/connectivity infrastructure. Source investment, compute and talent via partnerships with hyperscalers and regional peers.	● ● ●	● ●	●	●	●	● ●

Source: BCG analysis.

● ● ● Drive ● ● ● Support ● ● ● Sustain

Investment: Leverage partnerships to grow capacity. Concentrated sovereign capital, pooled multilateral capacity, and hyperscaler partnership each carry a different tradeoff on speed, scale, and control. Delivered capacity is the variable that moves an economy's position in the matrix, and the gap between announcement and operation is widest precisely among the fastest movers.

Research and innovation: Absorb frontier capability rather than attempt to reproduce it. Frontier-model development remains concentrated in a small number of economies, and Pioneer-tier research budgets are out of reach for most. Openly published models allow frontier capability to be localized, regional consortia to pool the development risk, and sovereign-fund partnerships to buy capability that cannot yet be built at home.

Ecosystem: Compress the time it takes to get from approval to operating capacity. Planning consent, grid connection, power contracting and connectivity are four separate approvals, and the deployment waits for the slowest moving of these processes. As a result,speeding up one does not speed up the process. Cheap power, useful geography or fast regulators can each improve an economy's relevance even if it leads on nothing else.



Conclusion

AI is now a proven economic force that is reshaping investment, productivity, and returns.

The question now is who captures that value. In the 2026 AI Maturity Matrix's assessment of more than 75 economies on their exposure to AI and their readiness for it, nearly every economy improved on at least one readiness dimension. (See the sidebar, "Our Methodology.") Government action was a key driver of that improvement. Ambition, investment, and policy send clear signals of intent, but capturing value from AI depends on enabling deployment, which requires building an ecosystem and developing skills.

The right path forward depends on an economy's starting point with AI. For Pioneers, the aim is to extend the frontier, while for Steady Contenders it's broadening from one or two strengths to all six dimensions, and for others the key is focusing on a select few dimensions and building breadth over time. For every economy, a growing strategic choice is which dependencies to accept across the AI stack. Full-stack sovereignty is rare, but it's not necessary for a leading position. Getting the architecture right is more important than achieving full control.

What will ultimately distinguish the economies that will gain ground in the next Matrix is not access to technology. The great differentiator will be how quickly and resiliently governments can deploy and manage AI at scale in their economy. (See the sidebar, "What Lies Ahead: From Deployment to Impact.")

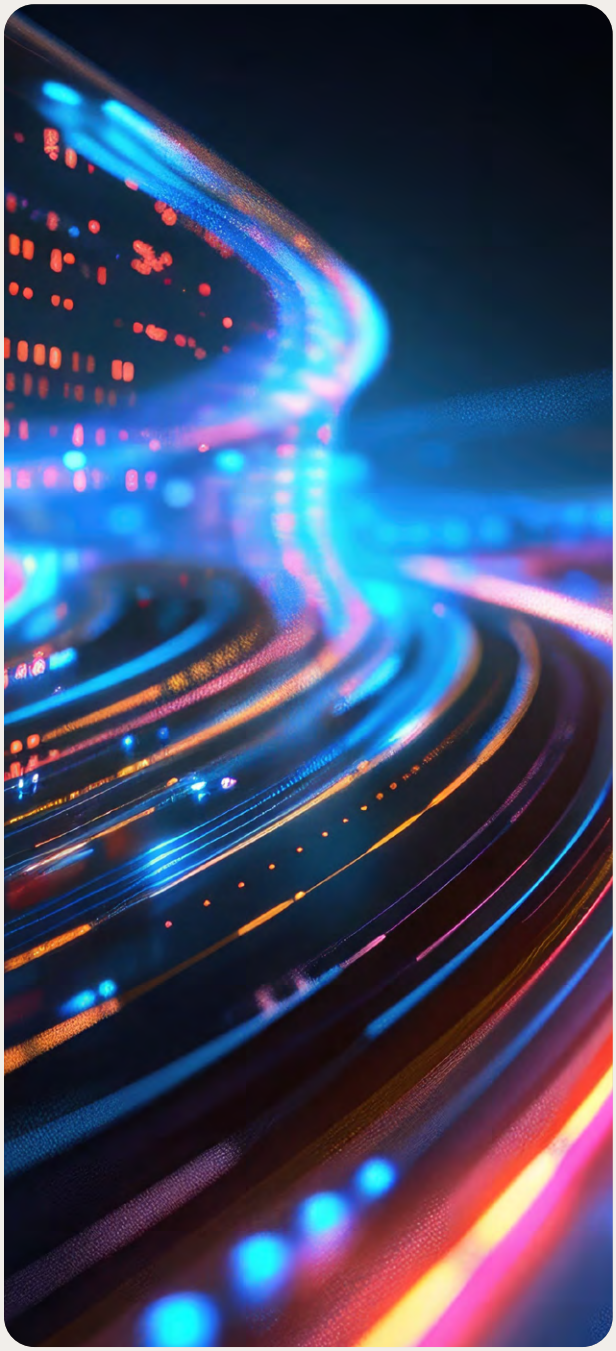
WHAT LIES AHEAD: FROM DEPLOYMENT TO IMPACT

We are at the start of the AI journey. Deployment is scaling quickly, and the broader impact of AI is only beginning to take shape. As adoption grows, its effects will extend across the economy, society, and geopolitics, and new themes are emerging in each of these areas that governments now have the opportunity to anticipate.

Several of these themes are already visible. Job seekers are looking for clarity on how AI will affect their prospects. Communities are engaging in debate about new data center developments. AI safety incidents have highlighted the importance of preparing for systemic risk. And there is growing attention to the risk that AI could deepen existing divides, with gains concentrated among a few while many others fall behind.

Each of these themes connects to core areas of government policy. If AI displaces workers at scale, pension funds, safety nets, and the tax base could come under pressure at the same time. If AI concentrates economic gains, or reduces the use of human skills and human connection, social pressures could build.

For governments, this means AI is best approached not as another policy area but as a larger policy paradigm that warrants attention at the highest levels. Over the next year, BCG will extend its AI thought leadership on the impact for individuals and societies, and help governments and business leaders prepare for and shape their AI strategies in a fast-moving environment.



Our Methodology

We performed a comprehensive regional analysis by dividing the world into five geographical areas: the Americas, Asia, the Middle East and Africa, Europe, and Oceania. Each area was further subdivided into relevant subregions. We then selected the top economies by real GDP 2025 to ensure at least 50% coverage of the subregion's total GDP.

AI Exposure: Dimensions and Indicators

Sector-Level Indicators. The AI exposure score evaluates the sensitivity of sectors to AI and aggregates this factor at the economy-wide level based on GDP composition. Our sector classifications align with the Nomenclature of Economic Activities (NACE) used by the EU. AI exposure in each sector is assessed using the following sources.

BCG Institute Automation Potential Scores. This structured microeconomic framework assesses how AI reshapes employment outcomes by evaluating three distinct forces: task-level automation potential, substitution versus augmentation dynamics, and demand expandability.

Quid Data Analysis. Quid data analysis assesses quarterly earnings calls and discussions from more than 5,000 publicly listed companies. The composite index developed from this data measures the frequency and depth of AI-related discussions within each sector, providing an indicator of AI's relevance in corporate strategy.

LinkedIn Job Postings. These postings measure AI exposure via sectoral AI job vacancies posted in LinkedIn as of 20th April 2026, reflecting workforce shifts

Economy-Wide Analysis. For economy-level analysis, GDP sector breakdowns were sourced from Oxford Economics, except for Ethiopia and the Dominican Republic, where national data was used to ensure comprehensive analysis.

Weighting System. The weighting system for our AI exposure score balances the reliability and significance of each data source:

- BCG Global Institute Automation Potential Scores: 33.33%
- Quid data analysis: 33.33%
- LinkedIn job postings: 33.33%

AI Exposure: Calculating Scores

Our process of normalization harmonized sector scores from the three data sources, standardizing them on a 0 to 100 scale using minimum-maximum scaling. After normalization, the scores were weighted and combined to create the final AI exposure score for each of the 26 sectors.

Normalization Across Data Sources. Each sector's score, as obtained from the three different sources, was normalized independently on a scale of 0 to 100. The normalization followed a minimum-maximum scaling method.

Sector-Level Aggregation. After normalization, the scores from each source were multiplied by their respective weights. This step allowed us to combine the normalized data into a single, weighted sector-level AI exposure score.

Economy-Level Aggregation. To assess an economy's AI exposure, normalized sector scores are multiplied by each sector's GDP contribution, reflecting AI exposure based on sector importance.

AI Readiness: Dimensions and Indicators

To assess AI readiness, we selected 33 key indicators from a broad set of AI-related metrics, minimizing overlap and ensuring a comprehensive evaluation. These indicators are organized under the ASPIRE framework, covering six foundational elements: Ambition, Skills, Policy and regulation, Investment, Research and innovation, Ecosystem.

Data Timespan. (See the exhibit.) Our analysis primarily uses data from 2024 to 2026 to reflect current trends. We used earlier data for data governance and value of information and communications technology (ICT) trade. We analyzed data on AI startups from 2013 to 2024.

2026 Weighting

INDICATOR	DIMENSION	SOURCE(S)	DESCRIPTION	WEIGHT
Existence and recency of AI strategy	Ambition	Government websites	100, if AI strategy exists; 0 if not	5.0%
Existence of specialized AI government agency/ministry	Ambition	Government websites	100 if AI entity exists; 0 if not	5.0%
Concentration of AI-related specialists	Skills	LinkedIn; World Bank	Number of LinkedIn accounts with AI-filtered skills per 1,000 people	6.0%
Pool of AI-related specialists	Skills	LinkedIn	Number of LinkedIn accounts with AI-filtered skills	6.0%
Total public contributions in GitHub by top 1,000 users	Skills	GitHub	Public contributions from top 1,000 users per economy	4.0%
Kaggle Grandmasters	Skills	Kaggle	Number of grandmasters in AI competitions	4.0%
Python package downloads per 1,000 people	Skills	Python.org community	Number of scikit-learn downloads per 1,000 people.	5.0%
Regulatory quality	Policy and regulation	World Bank	Government ability to create sound policies	2.5%
Governance effectiveness	Policy and regulation	World Bank	Quality of public services and civil service	2.5%
Governance of data	Policy and regulation	Global Data Barometer	Quality of data frameworks and security	2.5%
Governance of AI (new)	Policy and regulation	New indicator	100, if overarching national AI regulation exists, 0 if not	2.5%
Value of AI unicorns	Investment	CB Insights	Total value of AI companies exceeding $1 billion valuation	3.0%
Mcap of IT-related and tech-related companies/GDP	Investment	S&P Capital IQ	Market capitalization of companies in the IT and tech sectors as a proportion of an economy's gross domestic product (GDP)	3.0%
Value of trade in ICT services (per capita)	Investment	UNCTAD	Value of information and communication technology services traded (imported and exported) per capita	1.5%
Value of trade in ICT goods (per capita)	Investment	UNCTAD	Value of ICT goods traded (imported and exported) per capita	1.5%
VC investments	Investment	Pitchbook	Total funding in $ billions provided by VCs	1.5%
Funding of AI companies	Investment	Pitchbook	Total funding in $ billions provided to AI companies	3.0%
Computer software spending	Investment	WIPO	Economy-wide investment in software relative to its economic output	1.5%
Research papers published on AI	Research and innovation	SCImago	Composite index: 0.5* papers + 0.25 h index + 0.25 citations	2.0%
AI-related patents	Research and innovation	WIPO	Number of patents filed that are specifically related to AI	4.0%
Top-ranked universities in data science and AI fields	Research and innovation	QS	Number of universities in an economy that are ranked among the top institutions in these fields by QS	2.0%

INDICATOR	DIMENSION	SOURCE(S)	DESCRIPTION	WEIGHT
Domestic AI model development (new)	Research and innovation	Epoch AI	Quality and quantity of domestic models developed	3.0%
Number of AI startups	Research and innovation	Stanford Institute for Human-Centered Artificial Intelligence (HAI)	Number of AI startups in an economy	4.0%
Number of data centers	Ecosystem	Cloudscene	Number of data center facilities	4.0%
AI compute capacity (new)	Ecosystem	Epoch AI	Composite score of power and compute in GPU clusters	4.0%
Accessible supercomputer capacity by economy	Ecosystem	Manual assessment of accessibility based on top 500 supercomputers	Composite score that assesses the accessibility of processing cores of the top 500 supercomputers	1.0%
Adoption of emerging technologies by companies	Ecosystem	Network Readiness Index, Portulans Institute and the University of Oxford	Extent to which companies in an economy adopt and integrate emerging technologies	4.0%
Public cloud spend per employee	Ecosystem	Statista	Average expenditure on public cloud services per employee	2.0%
Fixed broadband internet traffic per capita	Ecosystem	DataHub	Average data transferred per person	2.0%
Electricity prices	Ecosystem	World Population Review	Price of electricity per kilowatt-hour	1.0%
Telecommunication infrastructure index	Ecosystem	World Bank GovTech Maturity Index	Availability and quality of telecom infrastructure	1.0%
Average download speed	Ecosystem	Speedtest Global Index (for fixed broadband)	Internet download speed in megabits per second	3.0%
Performance of economy-wide statistical systems	Ecosystem	World Bank	Quality of statistical systems	3.0%

Source: BCG analysis.
Note: ICT = information and communications technology.

Weighting System. After selecting 33 key indicators for AI readiness, we assigned weights to each indicator and ASPIRE dimension based on internal expertise and consultations. Skills and ecosystem received the highest weights as key enablers of AI adoption, followed by investment and research and innovation.

Each indicator was further weighted by significance (as shown in the indicator table above), with AI-related indicators prioritized. Statistical tests, including comparisons with equal weighting across dimensions and indicators and principal component analysis, were used to confirm weights.

Peer Group Imputation. To address missing data in the AI Readiness Index, countries were grouped by region and income level, with missing values based on peer group medians. No such input was done for specific countries or indicators where values couldn't be reliably estimated. Imputation never exceeded 15%, ensuring at least 85% data completeness.

AI Readiness: Calculating Scores

Normalization. We applied normalization techniques to ensure consistency across the indicators in the AI Readiness Index, transforming raw data into standardized scores from 0 to 100. Most indicators used traditional normalization. However, for indicators exhibiting significant skewness, we employed logarithmic normalization for better distribution handling.

Total Score. Each economy received a normalized score for each indicator. These scores were weighted and summed to produce the final AI Readiness Index score for each economy, ranging from 0 to 100.

1. Greg Emerson, Matthew Kropp, Julie Bedard, Lisa Krayer, Viacheslav Romanov, Megan Hsu, Luis Sanchez Boedo, and Diya Mohnot, "AI Will Reshape More Jobs Than It Replaces," BCG, April 3, 2026, https://www.bcg.com/publications/2026/ai-will-reshape-more-jobs-than-it-replaces.

About the Authors



Daniel Kiefer
Managing Director and Partner
Dubai
kiefer.daniel@bcg.com



Christian Schwaerzler
Managing Director and Senior Partner
Dubai
schwaerzler.christian@bcg.com



Joerg Hildebrandt
Managing Director and Senior Partner
Dubai
hildebrandt.joerg@bcg.com



Steven Mills
Managing Director and Partner
Washington, D.C
mills.steven@bcgfed.com



Lars Littig
Managing Director and Senior Partner
Dubai
littig.lars@bcg.com



Akram Awad
Managing Director and Partner
Riyadh
awad.akram@bcg.com



Rami Mourtada
Partner and Director
Dubai
mourtada.rami@bcg.com



Yoshihisa Niwa
Managing Director and Senior Partner
Tokyo
niwa.yoshihisa@bcg.com



Christopher Daniel
Managing Director and Senior Partner
Dubai
daniel.christopher@bcg.com



Claudia Newman-Martin
Managing Director and Partner
New York
newmanmartin.claudia@bcg.com



Sanjay Nawandhar
Associate Director
Dubai
nawandhar.sanjay@bcg.com



Adnah Bright
Project Leader
Dubai
bright.adnah@bcg.com

Acknowledgments

The authors would like to thank Nour Chamseddine, Faisal Faraz, Pippa Broadway, Anna Petrova, Sanya Kumar, Tanya Sharma, Ayush Goyal, and Maria Martinez Embil for their contributions to the report.

This publication is made available solely for your personal, informational, and non-commercial use. You may download and retain a copy for such purposes. Except with the prior written permission of Boston Consulting Group (BCG), you may not use, reproduce, republish, distribute, sell, license, modify, create derivative works from, or otherwise exploit this publication or any portion of its content for any commercial purpose. Without limiting the foregoing, the publication and its content may not be used for the commercial development, training, testing, evaluation, or improvement of artificial intelligence, machine learning, or other automated systems, or incorporated into any commercial database, dataset, product, or service, without BCG's prior written permission. All rights not expressly granted are reserved by BCG.

For information or permission to reprint, please contact BCG at permissions@bcg.com. To find the latest BCG content and register to receive e-alerts on this topic or others, please visit bcg.com. Follow Boston Consulting Group on LinkedIn, Instagram, Facebook, and X.

© Boston Consulting Group 2026. All rights reserved. 10/26

