

The economic opportunity of

Generative AI in Luxembourg

The economic opportunity

The boost to Luxembourg's GDP from generative AI around ten years from now, if widespread adoption is achieved.

6-8 BILLION EURO ANNUAL IMPACT

+9% GDP

Gains come from:



Productivity boost from people working with generative AI.



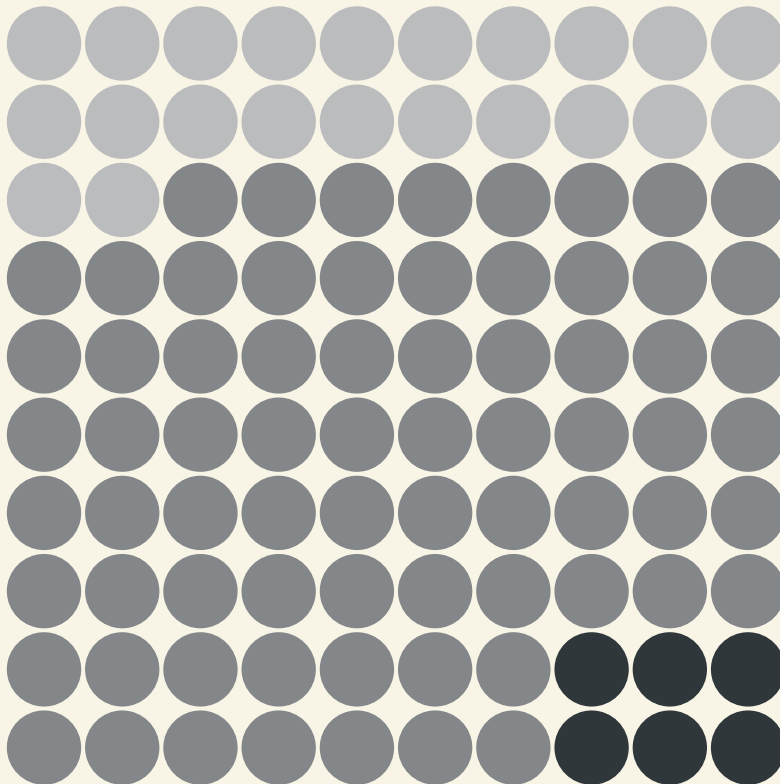
Freed-up time when generative AI helps to automate our work.



Re-prioritised and re-employed time to other value-creating activities.

The job implications

● No automation
● AI as a complement
● Partial or full displacement



22%

of jobs in Luxembourg are likely to remain unaffected by generative AI.

72%

of jobs are expected to work together with generative AI and see a boost in productivity.

6%

of jobs are estimated to be highly exposed to generative AI, leading to some job closures. However, the productivity boost from generative AI is expected to create new jobs replacing those lost to automation.

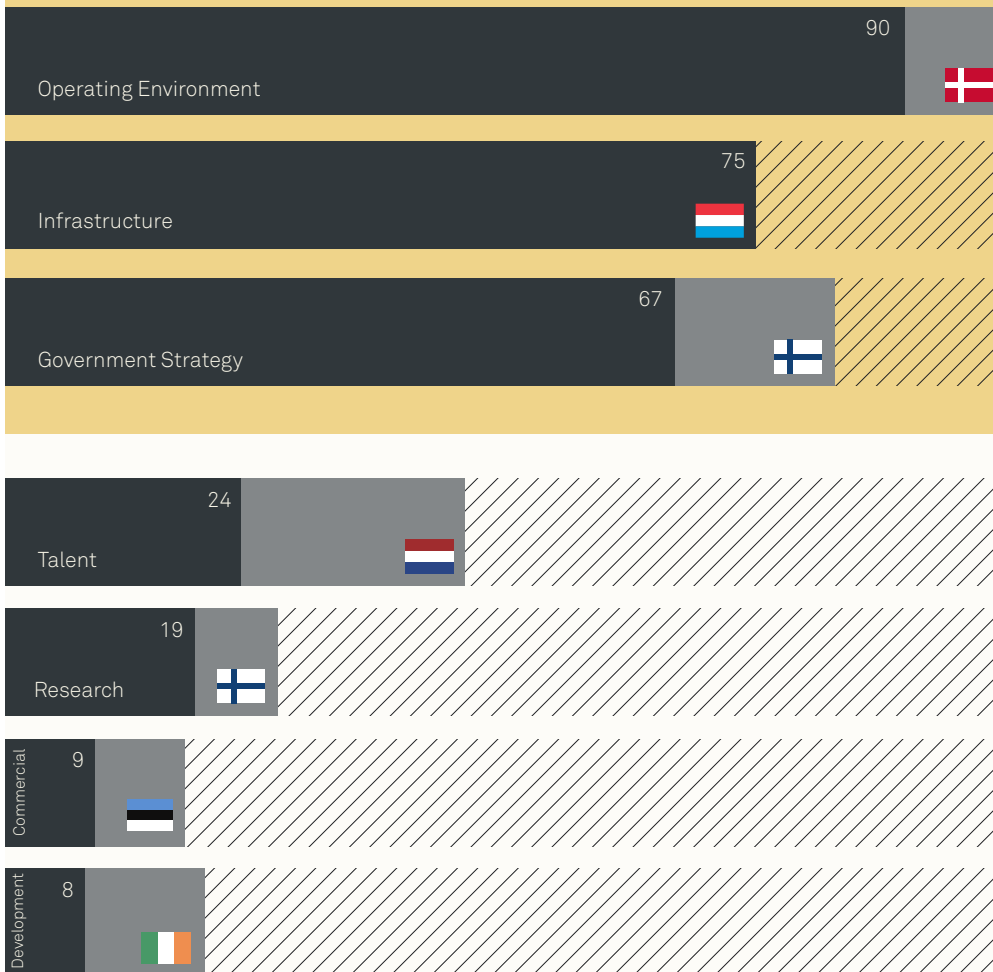
AI readiness in Luxembourg

Luxembourg's AI capacity according to the Tortoise Global AI Index

Global AI Index, score out of 100 (global leader)

Global Leader

■ Luxembourg ■ N. European maximum



Note: The Tortoise Global AI Index is underpinned by 111 indicators collected from 28 different public and private data sources and 62 governments. The grey areas show the highest scores on readiness indicators in leading Northern European countries, which are comparable to Luxembourg in size and digitalisation level.

Adoption drivers

Luxembourg leads Northern European frontrunners on AI infrastructure and is well placed for generalised AI use and early phases of AI adoption.

Innovation drivers

Luxembourg falls behind on innovation drivers required for more specialised AI applications, like other Northern European peers.

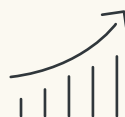
The policy implications

Capturing the full economic gains requires innovation capabilities and a conducive regulatory framework to enable:



Growing R&D by local innovators

Enable innovation and invest in AI research and development.



Accelerating commercial uptake

Promote widespread adoption and universal accessibility.



Retraining and upskilling workforce

Build human capital and an AI-empowered workforce.

