The European AI innovation opportunity

Boosting Europe's competitiveness with AI-powered innovation

The economic potential

Accelerating AI innovation can unlock a EUR 450 billion economic boost for Europe

Europe's potential for AI innovation is a synergy of AI production and invention with AI, along with the commercialisation of AI, which is driven by innovative digital businesses. *Producing more AI* in Europe represents a **EUR 200 billion** opportunity. *Inventing more with AI* can unlock another **EUR 250 billion in annual economic value.**

GDP potential in 2034
EUR billion

- - - Potential driven by innovative digital businesses

250

450

200
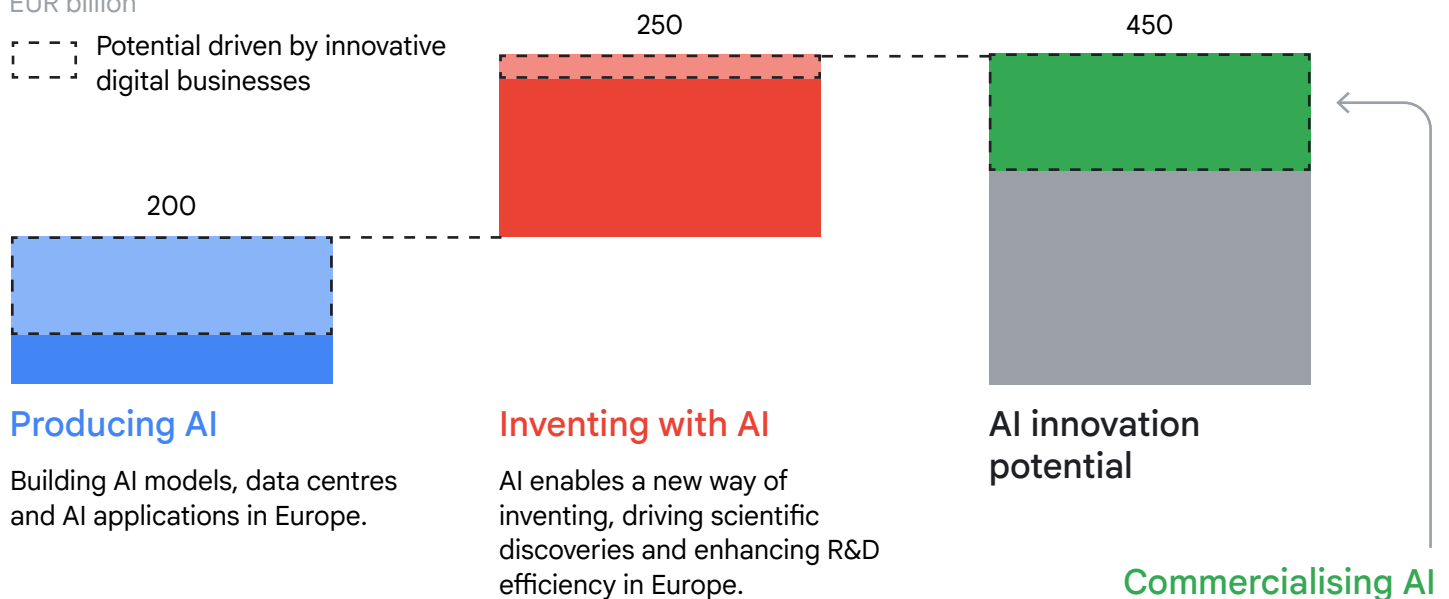
Producing AI

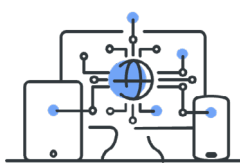Building AI models, data centres and AI applications in Europe.

Inventing with AI

AI enables a new way of inventing, driving scientific discoveries and enhancing R&D efficiency in Europe.

AI innovation potential

Commercialising AI

Growing and scaling more innovative digital businesses in Europe is estimated to drive 30-40% of the AI innovation potential.

25%
projected annual growth in the global AI market for Europe to tap into

2x
higher innovation quality with AI

130%
higher productivity in successful innovative digital businesses

75%
of Europe's AI production potential is in applications and services

10-20%
more efficient R&D processes with AI

79%
of innovative digital businesses use generative AI

19%
of global AI application funding is flowing to Europe

2-7x
social return on AI-induced R&D efficiency

70%
of the commercialisation potential comes from creating more innovative digital businesses

An Implement Consulting Group study developed in partnership with Google.

Google enables AI production, commercialisation and innovation in Europe

Breakthrough innovation stems from global collaboration, where researchers build on each other's discoveries. Google contributes to <u>Europe's EUR 450 billion AI innovation potential</u> and the EUR 1.2 trillion AI adoption potential through investments and partnerships. It acts as a bridge for global technological advancements across the continent…

→ 7 energy-efficient data centres

→ 13 cloud regions

→ multiple crucial subsea cables connecting Europe to the world

→ carbon-free investments in the energy grid

→ sovereign cloud infrastructure

→ cutting-edge AI computing power

→ hundreds of millions of research years saved in research time with <u>AlphaFold</u>

→ <u>12 million people</u> helped to learn key digital skills

→ partnerships with research institutions

→ 2,700 AI research papers published from 2020-2023 advancing global scientific understanding

→ <u>EUR 560 billion</u> in annual worker productivity through tools like Google Search and Workspace

→ <u>USD 500 million</u> invested in 40 promising European startups through Google Ventures

→ 1,630 European startups supported through the <u>Google for Startups</u> programme.

Harnessing Europe's AI strengths requires open competition, leveraging high-quality data, cutting red tape, and strategic public funding

Infrastructure

Modernise electricity grids to ensure a reliable and clean energy supply

Streamline and harmonise permitting processes for data centres

Safeguard the EU's enabling copyright system to foster innovation

Investment

Encourage startups in scientific research through grants and joint public procurement

Consolidate fragmented public R&D funds to incentivise risk-taking and target 'moonshot' projects

Stimulate private investment by cutting red tape and strengthening the single market

Innovation

Implement pro-science legal frameworks

Cultivate Europe's AI talent through interdisciplinary collaboration across member states

Ensure access to specialised tools and robust AI models

Scan to view Google's Policy Framework for Building the Future of Science with AI

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