

The economic opportunity of

Generative AI in Caucasus and Central Asia

The economic opportunity

The boost from generative AI to GDP in Caucasus and Kazakhstan around ten years from now, if widespread adoption is achieved.

+2% GDP **6.5-7.5** USD billion annual impact

Gains come from three sources . . .



Productivity boost from people working with generative AI

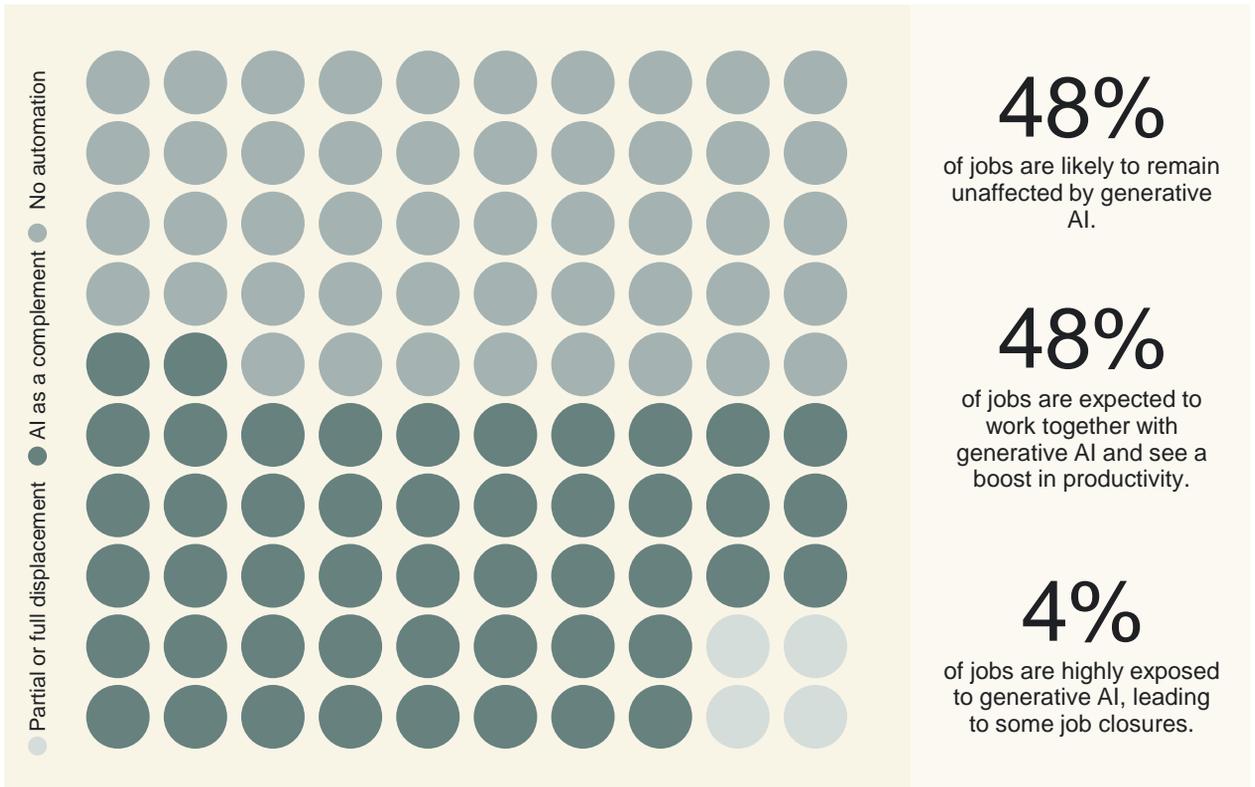


Freed-up time when generative AI helps to automate our work



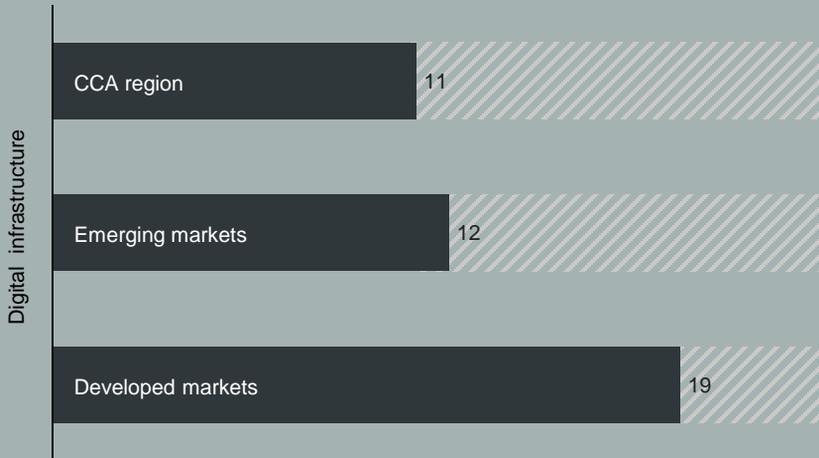
Re-prioritised and re-employed time to other value-creating activities.

The job implications



AI readiness in CCA

AI capacity in the CCA according to the AI Preparedness Indicator, IMF AIPI, score out of 100



Digital infrastructure

Accessible, affordable, and secure connectivity remains a challenge in the region, significantly hindering AI adoption. Widespread AI adoption requires diversified global connectivity.



Regulation

Strict data localisation laws that limit access to cloud infrastructure and best-in-class AI models hinder AI adoption in Caucasus and Central Asia.

The policy implications

Caucasus and Central Asia need to enhance connectivity, invest in skills, and establish clear rules that foster innovation and widespread AI adoption.



Invest in AI infrastructure



Promote widespread adoption



Build an AI-powered workforce



Enable innovation and invest in AI research

