

REBALANCING INTELLIGENCE

How the Next Wave of AI
Investment is Set to Flow South



Foreword

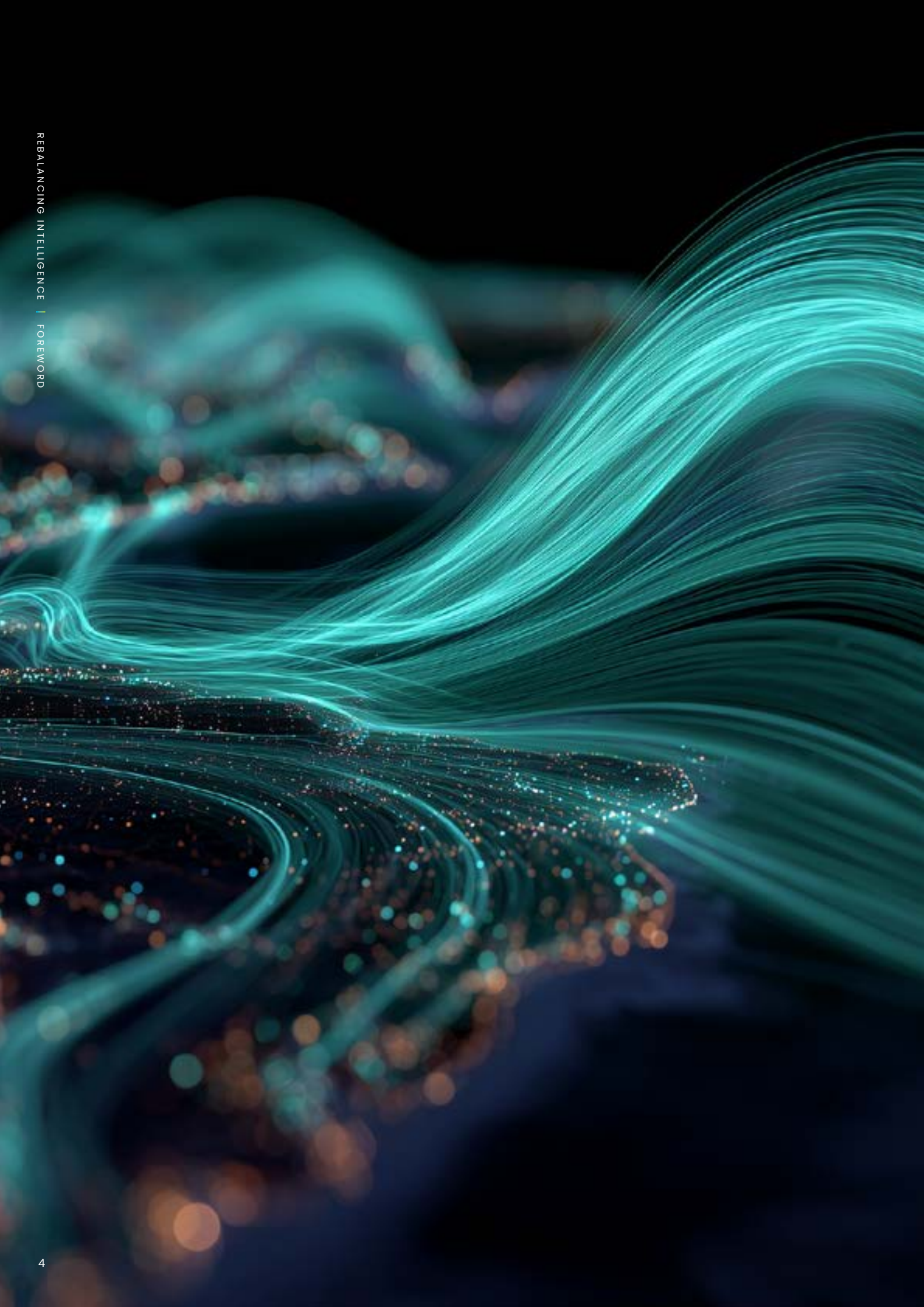
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MESSAGE FROM THE LEADERSHIP

The transformative power of artificial intelligence offers unparalleled opportunities for economic advancement and meaningful social impact, especially within the developing markets of the Global South.

Harnessing AI's full potential is more than a strategic imperative for investors—it is a chance to unlock new value streams, build resilient economies and shape a future where innovation drives both profit and purpose.

This perspective aligns directly with FII's core priorities of driving action on humanity's most pressing challenges: sustainability, healthcare, education and economic empowerment. The innovations emerging from the Global South are not just profitable; they are purposeful, demonstrating how AI can help build resilient economies and create tangible impact for billions.

The data and analysis within these pages reveal a dynamic ecosystem building the future today. We invite you to look beyond conventional markets and consider the immense potential of truly disruptive innovation.

We stand at an inflection point. AI is not merely a technological shift; it is the key to reinvention. But as our latest research reveals, a profound oversight threatens to leave many behind: the disproportionate focus on AI innovation in and for the Global North.

This report details the monumental, yet vastly underestimated, investment opportunity emerging in the Global South. Here, AI is not just optimizing existing systems—it is building entirely new ones. From leapfrogging legacy infrastructure to solving acute challenges in healthcare, agriculture and finance, these markets are pioneering AI-native business models at a breathtaking scale.

At Accenture, we believe AI's ultimate value is unlocked when it is applied responsibly. As this report underscores, investing in the Global South is not only a strategic economic imperative but a chance to champion responsible AI from the ground up—ensuring inclusion, equity and sustainable growth are baked into the foundation of the next generation of industry leaders.

The future of AI is being written now. We invite you to explore how and where to participate.

Richard Attias



Chairman of the Executive Committee & Acting CEO
FII Institute

Ramez T. Shehadi



Global Public Sector Strategy Lead,
MEA Strategy & Consulting Lead,
Accenture

**The global AI
revolution will
not be built
solely in
Silicon Valley,
London or
Berlin.**

PREFACE

The global AI revolution will not be built solely in Silicon Valley, London or Berlin. With the Global South expected to generate a quarter of projected economic growth by 2030, our latest research shows some of the most transformative and exciting opportunities are already emerging in the Middle East, Developing APAC, Africa and LATAM.

These regions offer a powerful combination of economic growth, AI initiatives and massive untapped data that the markets of the Global North may not match.

Investors who focus only on the Global North are not just missing out on an opportunity to back the next generation of tech unicorns—they are missing the markets and talent pools that will significantly contribute to the next decade of technological growth.

ABOUT THE RESEARCH

This research examined investment activity in startups or ventures that are AI-native and/or focused on the development of AI native products and services.

We consider an AI-native organization as one built with AI at its core; where AI drives products, decisions and operations so deeply that without it, the business cannot function.

All monetary figures cited throughout the report are in US dollars, unless otherwise noted.

This report draws on complementary research components:

- We reviewed reputable sources to analyze the trends of announced Foreign Direct Investments (FDI) across markets.
- We conducted a global survey between August and September 2025 of 250 C-suite leaders from private equity firms (40%), venture capital firms (40%) and corporate venture units of large enterprises (20%) across 13 countries in the Global North.
- We held in-depth interviews between August and September 2025 with 15 senior investors from leading private equity, venture capital and sovereign wealth funds across multiple geographies.
- We carried out a detailed analysis of AI-native startups and ventures in both the Global North and Global South.
- We developed an Innovation Ecosystem Attractiveness Ranking, built on six key dimensions that capture both ecosystem depth and macro-environment strengths for each country that we have highlighted in **Geographic Coverage**.¹

Further information on each component is provided in the **"About the research – detailed"** and the **References** sections at the end of this report.

GEOGRAPHIC COVERAGE

In the context of this research report, the **Global North** is defined as the following countries:

Asia-Pacific (APAC):

Australia, Japan, New Zealand, Singapore, South Korea

Europe:

Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Liechtenstein, Luxembourg, Malta, Monaco, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom

North America:

United States of America (USA) and Canada

The **Global South** is defined as the following countries (and excludes China):

Africa:

Algeria, Angola, Congo, Egypt, Ethiopia, Ghana, Ivory Coast, Kenya, Mauritania, Mauritius, Morocco, Mozambique, Nigeria, Senegal, South Africa, Tanzania, Tunisia

Developing APAC: Cambodia, India, Indonesia, Laos, Malaysia, Philippines, Thailand, Vietnam

Latin America (LATAM):

Argentina, Brazil, Chile, Colombia, Mexico, Peru, Uruguay

The Middle East:

Jordan, Lebanon, Qatar, Saudi Arabia, the United Arab Emirates (UAE)



EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

Gen AI adoption through responsible, people-centric approaches can unlock an additional \$10.3 trillion in economic value by 2038.²

Already, it is fundamentally reshaping work across value chains; not just boosting productivity but amplifying human creativity and advancing more meaningful experiences for employees and customers.

The flow of related capital is telling: In the last three years, AI startups in the Global North received \$108.3 billion in deal value, while those in the Global South received just \$12.1 billion.³

Today, that gap is widening as AI investments are following this unequal flow of capital, reinforcing the economic disparity that already exists.

To understand what's driving this imbalance, we conducted a proprietary survey of 250 global investors, along with one-on-one interviews.

We learned that 66% of these investors currently allocate more than half of their AI-related investments in the Global North, but only 16% focus more than half of their AI-related investments in the Global South.

The good news: Our research shows **87% plan to increase their AI investments in the Global South within the next 12-24 months**, helping to incrementally rebalance global intelligence and support the next era of AI innovation.

Over the course of our research, we learned what's driving AI investments, and why more investors are looking to the Global South for AI growth opportunities. We also identified strategic shifts in AI innovation that are underway across these developing markets that may surprise even the most seasoned investor.

Countries across LATAM, Africa, Developing APAC and the Middle East are not just adopting AI. They are building a future based on AI from the ground up, with startups working to solve real-world challenges at a breathtaking scale. Understanding the overlooked AI investment opportunities in these areas could create significant value by accelerating development already underway.

Realizing AI's full potential in the Global South will require a new approach with five key imperatives. To succeed in these markets, investors should build trusted local ecosystems, target region-specific AI and sector opportunities, align with strategic government initiatives and adapt investment strategies with data-driven precision to local realities.

Taken together, these imperatives allow investors to broaden their portfolios, capture growth opportunities and help shape a more inclusive and sustainable AI-driven future.

Our research identified the growing opportunity for AI-led innovation and investment in the Global South, with key drivers including:

23,000 AI startups

The Global South is home to more than 23,000* AI startups, yet only eight have scaled to unicorn status, compared to 305 in the Global North.⁴

46% of world population

Despite accounting for 46% of the world's population and 25%** of projected economic growth, the Global South remains undercapitalized, even as it leverages talent, cost advantages, AI innovation and pro-investment policies to close the gap with the Global North.^{5 6}

28% of AI-related FDI inflows

In the past two years, the Global South attracted just 28% of announced AI-related FDI inflows; a fraction of the \$548 billion invested globally. While the Global North secured 72%. By flowing North, FDI bypasses innovation ecosystems in developing nations despite their vast growth potential.⁷

\$1 out of \$9 flows to Global South

Investment in AI startups shows a clear imbalance: For every dollar the Global North puts into the Global South, the Global South contributes nine dollars back.⁸

95% of Global South startups focus on application and data layers⁹

Most AI startups in the Global South focus on the application and data layers, but they still rely heavily on foreign-owned technology infrastructure, like computing power, cloud services and data centers. This points to an opportunity for new investments aimed at building local technology infrastructure.

*Founded since 2010

**2025–2030 (CAGR, Constant USD)

We found that momentum is building across the Global South with a range of initiatives fueling innovation and a surge of investment activities.

Our research shows nearly 90% of global investors plan to increase their AI investments in the region within the next 12-24 months. India, Southeast Asia and the Middle East are drawing the greatest interest. We also found that 70% of investment firms have dedicated teams focused on these markets.

LATAM

Growing as an AI hub, with 5,900+ AI startups worth \$5.3 billion, offering a growing pool of skilled talent, rapidly expanding technology ecosystems and the potential to apply AI to solve regional challenges, including the need for clean energy and financial technology innovation.¹²

Middle East

Led by Saudi Arabia and the UAE, is fueling AI innovation. Home to 2200+ AI startups worth \$5.6 billion, AI development is an economic and geopolitical priority with government investment, sovereign strategies, talent upskilling and attraction strategies, and significant infrastructure development.¹⁰

Developing APAC

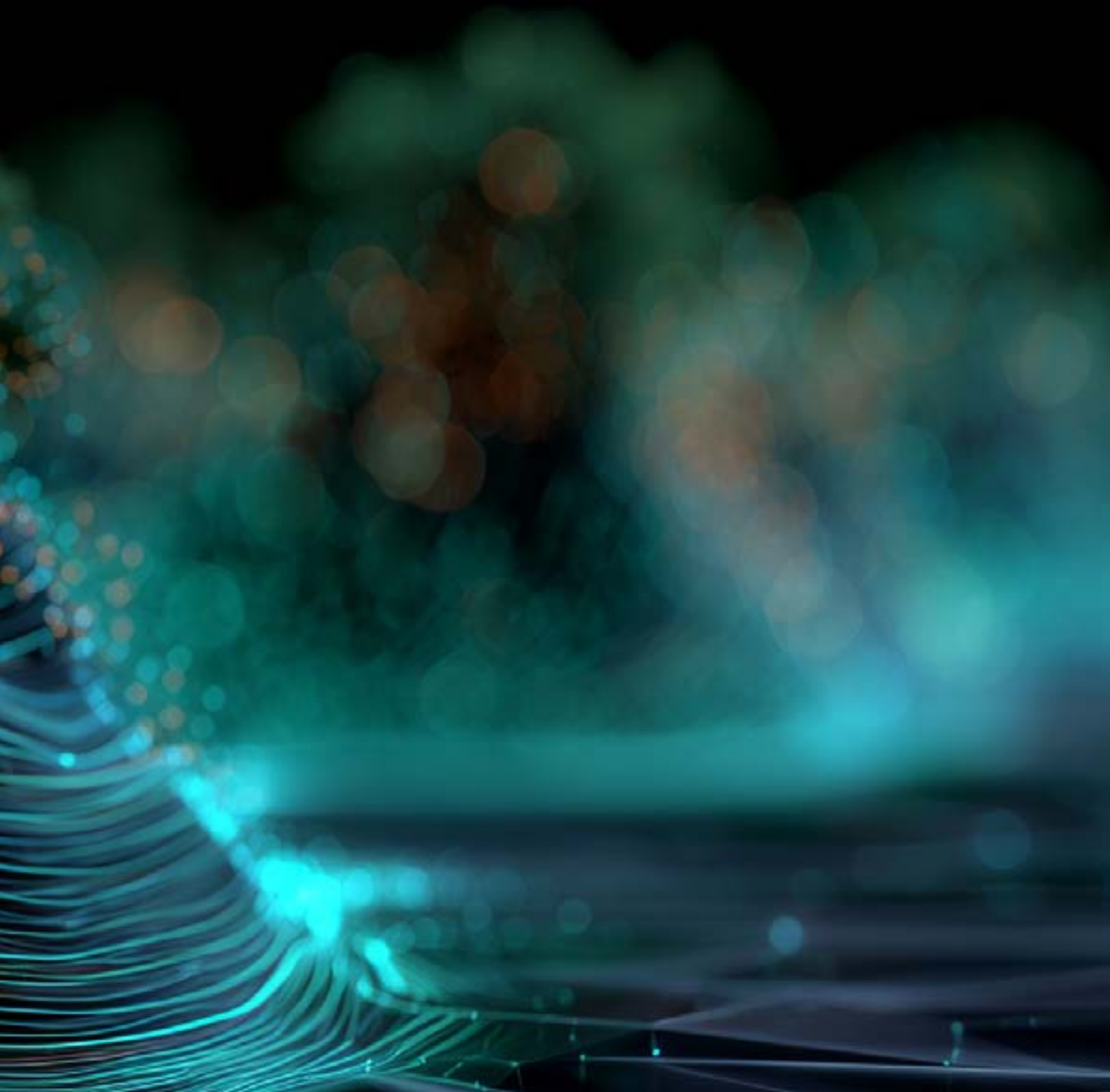
Leads the Global South's AI economy with 13,500+ startups, \$16 billion in valuations and \$136 billion in FDI inflows. India is setting the pace, with its \$1.2 billion IndiaAI Mission, more than 13 million developers and \$2.4 billion in venture funding in Q1 2025 alone, while Malaysia and Vietnam are emerging AI forces.¹¹

Africa

The vibrant community of 1,950+ AI startups worth at \$1.8 billion, expanding tech ecosystems and international partnerships are supporting AI-led breakthroughs, including in financial technology and agricultural technology, with South Africa a key market to watch for AI innovation.¹³



THE MISSING UNICORNS:
THE UNTAPPED OPPORTUNITY
FOR AI INVESTORS





CLOSING THE AI INVESTMENT DIVIDE

Since 2010, the Global South has been home to more than 23,000 AI startups. Yet only eight of them have scaled to unicorn status; valued at over \$1 billion compared to 305 in the Global North.¹⁴ This gap is reinforced by concentrated advantages in the Global North, especially the USA, where funding, infrastructure and exit opportunities are more accessible, allowing companies to scale.

These Global South unicorns, which range in valuation from \$1 billion to \$2.1 billion, are not just applying AI to solve problems; they are using it to create new possibilities by developing entirely new business models, redefining industries and building foundational technologies across regions and sectors.¹⁵

Across the Global South, AI is making transformative impacts, including revolutionizing agriculture in Africa and LATAM, enhancing affordable healthcare in India and LATAM and driving innovation in energy and climate technology in Brazil and the Gulf. In Developing APAC, it's helping drive innovation in e-commerce and consumer-focused social technologies. And in the Middle East, it's powering hyper-localized and language-specific AI solutions that are difficult for global competitors to replicate.

Global South unicorns are not just applying AI to existing problems; they are using it to create new possibilities.

THE GLOBAL SOUTH:
A GROWING ECONOMIC FORCE

Home to almost half of the world’s total population, the Global South is a major driver of global economic growth.¹⁶ It accounts for 17% of the world’s total GDP and is projected to contribute one-quarter of global economic growth by 2030.¹⁷

In addition, the GDP growth rate in the Global South is projected to reach 4% by 2030, compared to 2.6% globally.¹⁸ With AI talent critical to economic growth, the region’s expanding workforce is a major advantage, with two out of every three new entrants to the global labor force projected to come from the Global South.¹⁹

GLOBAL SOUTH AI UNICORNS



BRAZIL
\$2.1B VALUATION
APPLICATION LAYER

INDIA
\$1.5B VALUATION
APPLICATION LAYER

CHILE
\$1.5B VALUATION
APPLICATION LAYER

UAE
\$1.5B VALUATION
APPLICATION LAYER



UAE
\$1.4B VALUATION
APPLICATION LAYER

INDIA
\$1.2B VALUATION
APPLICATION LAYER

INDIA
\$1B VALUATION
FOUNDATION
MODELS PRACTICE,
APPLICATION LAYER

INDIA
\$1B VALUATION
FOUNDATION
MODELS PRACTICE,
APPLICATION LAYER

VALUATIONS BASED ON PUBLICLY AVAILABLE DATA AS OF SEPTEMBER 15, 2025

The Global South is projected to contribute 25% of global economic growth by 2030.

Despite this growing economic and social significance, the Global South's influence is not yet mirrored in investment flows, particularly in FDI and AI-related FDI. While economic theory would suggest that developing markets offer higher returns and thus should attract more investment, FDI remains heavily concentrated in established, mature hubs primarily located in the Global North.²⁰

Our research shows that only 28% of AI-related FDI announcements in the past two years, and less than 20% as of June 2025, involved the Global South, compared to 72% of FDI announcements to the North.²¹ This trend persists even as cracks in globalization prompt shifts in investment strategies, leaving the Global South's rapidly developing ecosystems underfunded and their potential largely untapped.

When adjusting for GDP size, the imbalance in FDI allocation becomes even more apparent. The Global South, which should capture 28% of FDI based on its share of global GDP, receives only 24%. This shortfall is primarily due to lower-than-expected investments from both the Global North and the Global South itself. Closing this gap could unlock significant value and accelerate growth across the Global South.²²

Nowhere is this imbalance more evident than in AI infrastructure, where significant investment shortfalls reveal substantial untapped opportunities. We found that more than 95% of AI startups in the Global South are focused on the application layer, leaving infrastructure such as data centers, semiconductors and hardware along with data layers under-addressed.²³

More than 95% of AI startups in the Global South are focused on the application layer.

This imbalance creates an investment opportunity for the compute layer, accelerating the region's ability to capture the full value of AI.

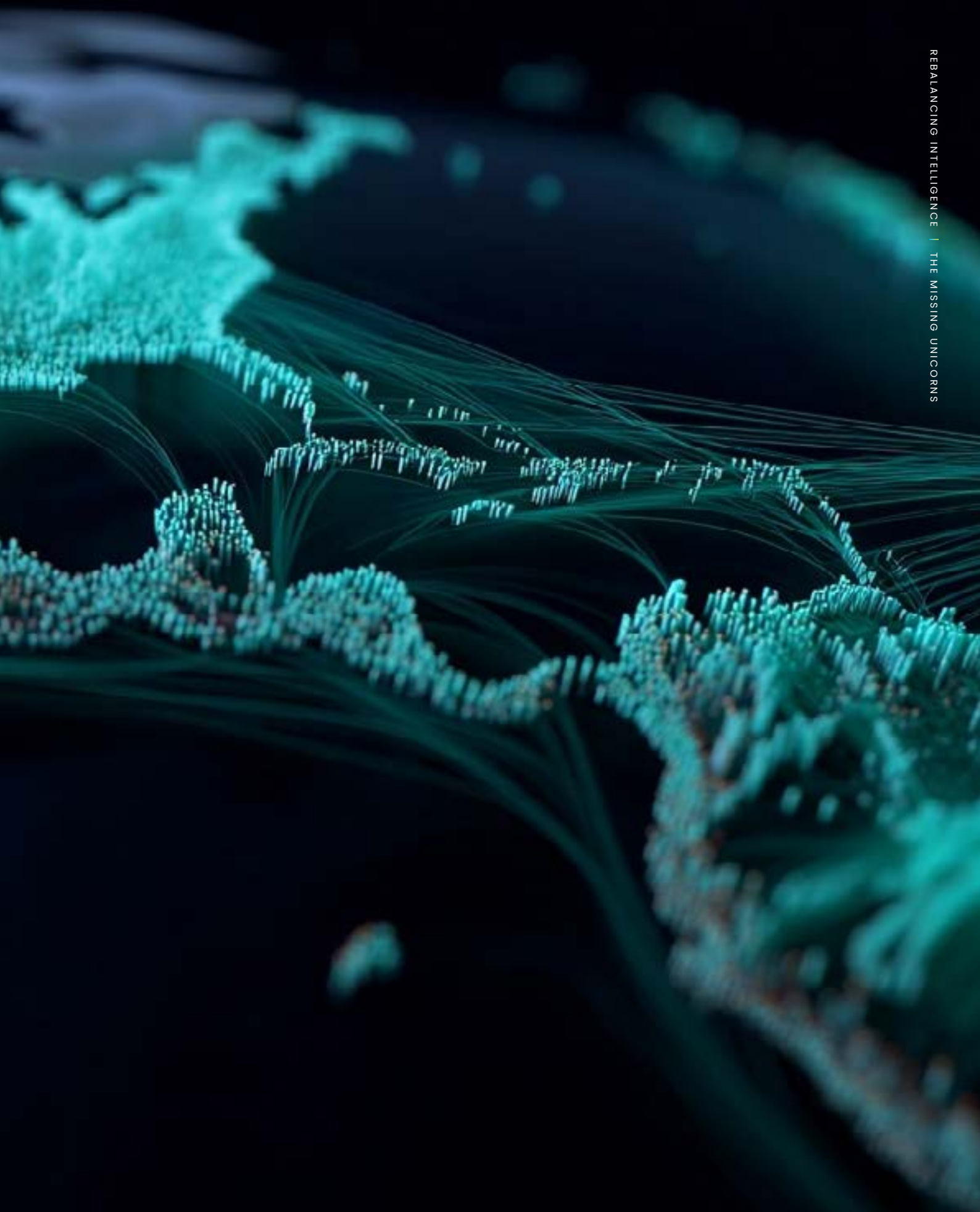
Although more than half of compute infrastructure projects are based in the Global South, these projects make up only a quarter of capital expenditure investment and tend to be smaller in size, suggesting breadth of activity and potential for growth.

FUNDING IMBALANCE: AI STARTUP INVESTMENT DISPARITIES

These structural gaps in infrastructure are mirrored in funding, where disparities in capital allocation further constrain the Global South's ability to scale AI innovation.

Our analysis of AI startup financing shows that over the past three years, the Global North has received more than nine times the amount of capital compared to the Global South, with approximately 1,263 deals totaling around \$108.3 billion in value. In contrast, the Global South has seen 1,609 deals, with a combined value of about \$12.1 billion.²⁴





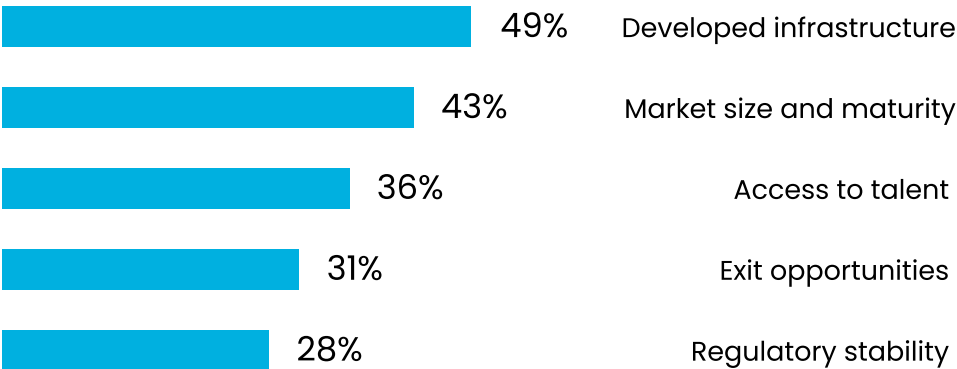
An overwhelming 66% of investment firms devote more than half of their AI investment budgets to projects in the Global North, while only 16% of companies currently allocate most of their AI-related investments to the Global South.

Our research identified several key reasons why.

Nearly half (49%) of respondents cited the region’s developed infrastructure including; robust digital, financial and logistical systems, as a primary motivator for investing in AI startups in the Global North.

Additionally, 43% pointed to the market’s size and maturity, while 36% emphasized better access to a skilled talent pool. Other significant considerations include greater exit opportunities, mentioned by 31% of respondents, and the region’s relative regulatory stability, important for 28% of respondents.

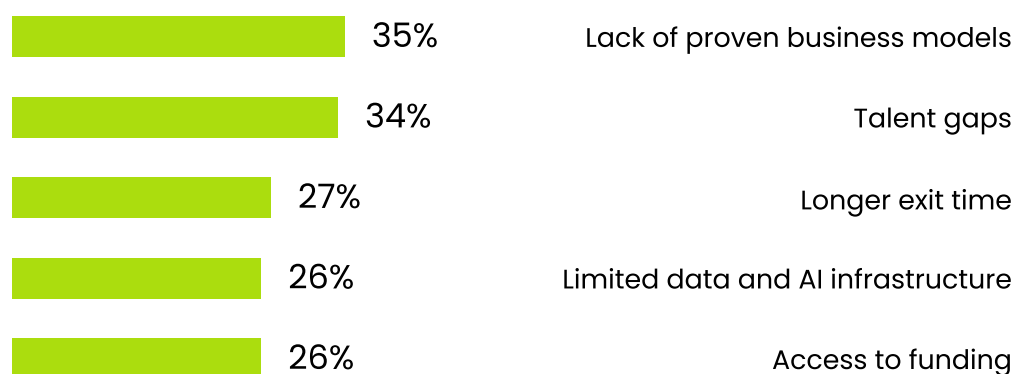
TOP 5 FACTORS INFLUENCING DECISIONS TO INVEST MORE IN AI STARTUPS IN THE GLOBAL NORTH



Conversely, investing in AI startups in the Global South presents distinct challenges.

The top concern, cited by 35% of survey respondents, is the lack of proven business models. The need to develop more AI-skilled talent follows closely (34%), along with longer timelines to exit (27%). Limited data and AI infrastructure, combined with restricted access to funding (26%), add further barriers.

TOP 5 CHALLENGES TO INVESTING IN AI STARTUPS IN THE GLOBAL SOUTH

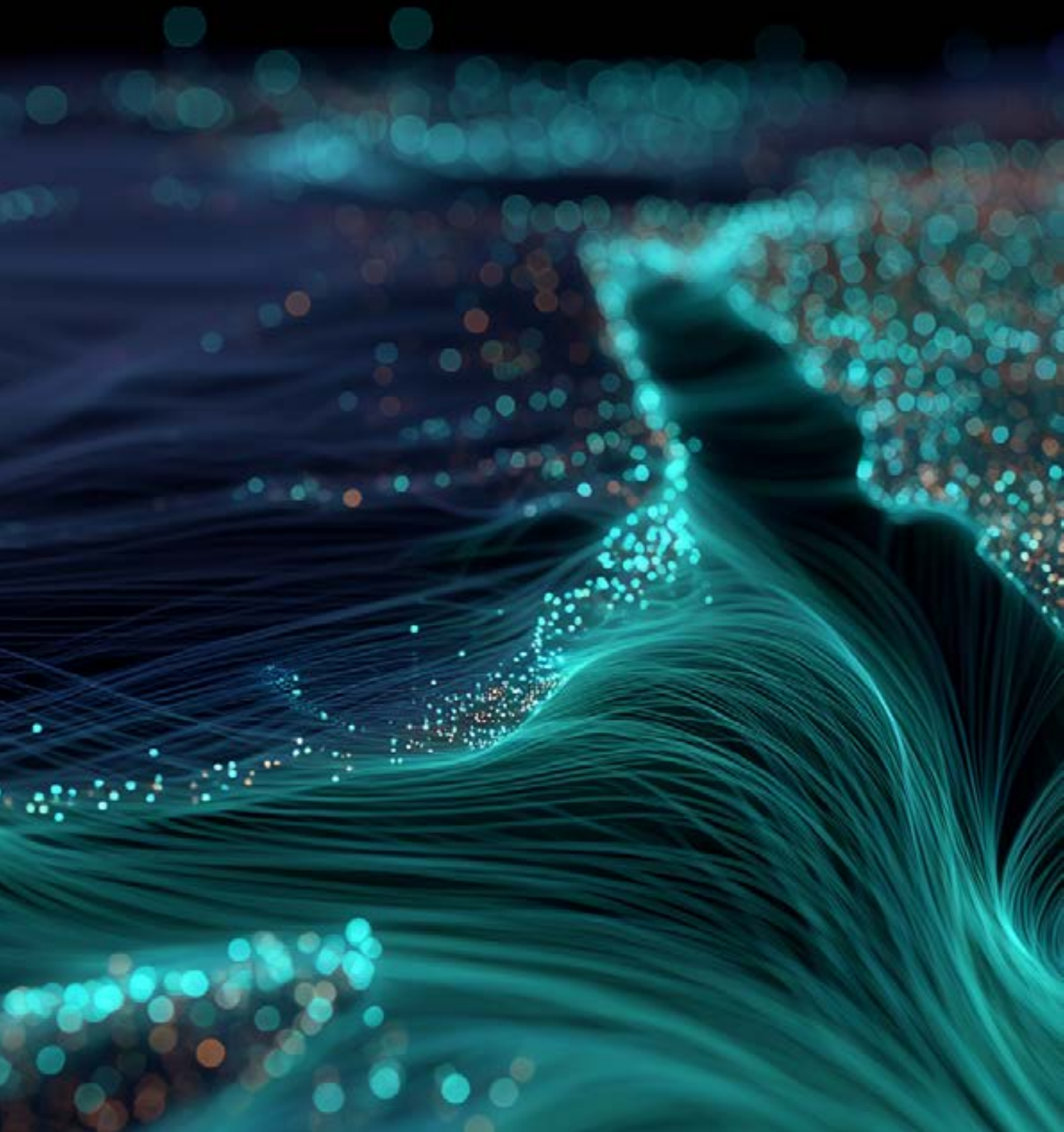


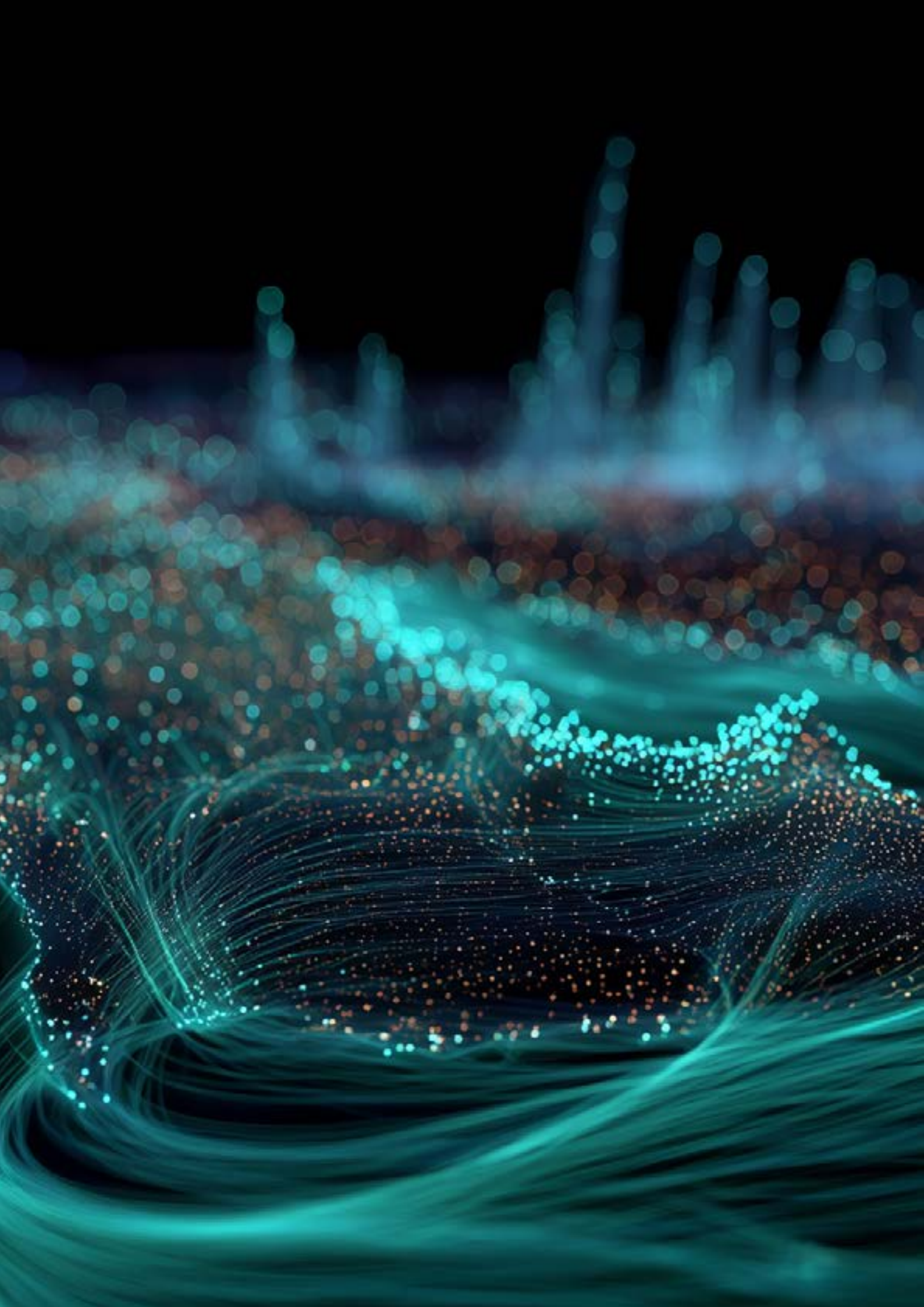
Our investor interviews reinforced these concerns, highlighting a consistent perception of high risk in the Global South. Those we spoke with cited currency volatility, inflation and sovereign risk as risk factors, while political and regulatory instability add further uncertainty.

Investors also pointed to persistent challenges around talent. Both the need for experienced founders and highly skilled AI professionals, as engineers and researchers often migrate North as well as weak venture ecosystems, longer exit timelines and limited early-stage funding. They further expressed concerns about market fragmentation, governance gaps and visibility issues, along with regulatory challenges.

While developing markets across the Global South face challenges, they are not insurmountable. Positive developments and transformative shifts are becoming increasingly evident across these countries, offering hope for future-focused investors.

FROM RIYADH TO NEW DELHI:
THE GLOBAL SOUTH'S
COMPETITIVE ADVANTAGES





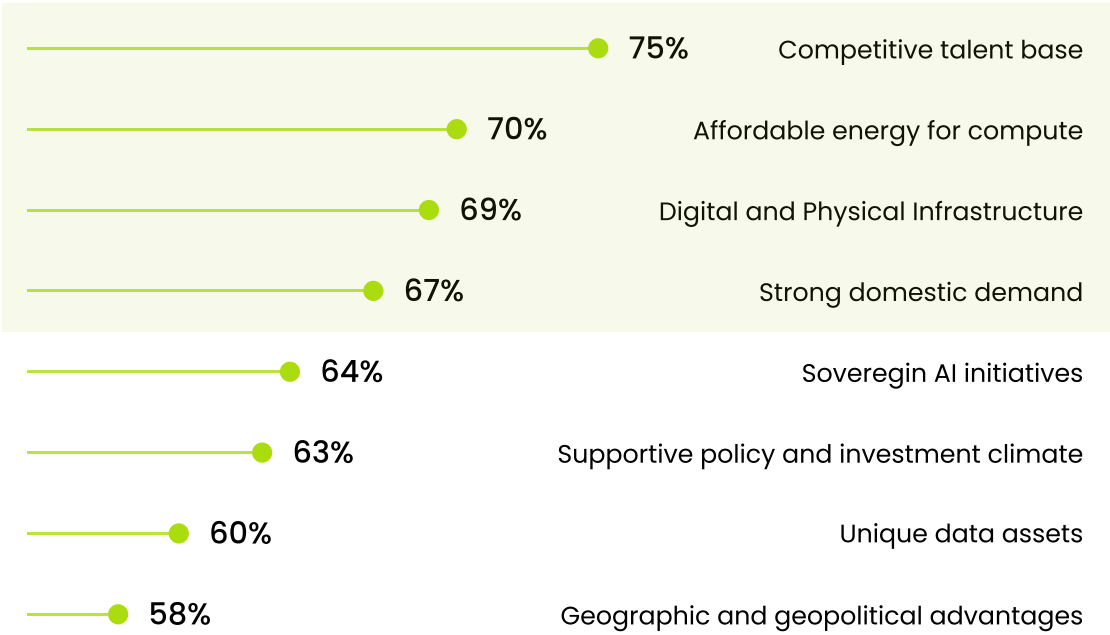
THE GLOBAL SOUTH’S INVESTMENT MOMENT

Our research found that the vast majority (87%) of global investors are planning to increase their AI-related investments in the Global South within 12 to 24 months, with our survey highlighting the key strengths that investors believe position the region as a rising hub for AI innovation and scalable solutions.

The most frequently cited advantages include a competitive talent base (75%), affordable energy for compute (70%), digital and physical infrastructure readiness (69%) and strong domestic demand (67%).

87% of global investors intend to increase their AI-related investments in the Global South.

KEY STRENGTHS FOR SCALABLE AI HOSTING & SERVICES IN THE GLOBAL SOUTH



The Global South's unique ecosystem advantages position the region as a growth engine for AI across these top key strengths:



Competitive Talent:

India leads globally in AI skills, while immigrant founders are fueling vibrant ecosystems in markets like Saudi Arabia and the UAE. Cost advantages are significant: AI professionals in India earn just 15–25% of USA salaries, with similar trends in Vietnam and Nigeria.²⁵



Affordable energy for compute:

The Middle East's landmark investments, such as Saudi Arabia's NEOM project with a 1.5-gigawatt AI supercomputer and the UAE's 100-megawatt AI facility, showcase access to abundant and cost-effective energy resources.^{26 27} Brazil, where over 80% of energy powering data centers comes from renewables, has pledged \$4 billion to build sovereign AI capacity.²⁸ India's \$1.2 billion IndiaAI Mission is focused on driving AI innovation, while African nations including Nigeria, Kenya and Senegal are attracting startups with policies including tax incentives.^{29 30}



Strong domestic demand is another critical advantage.

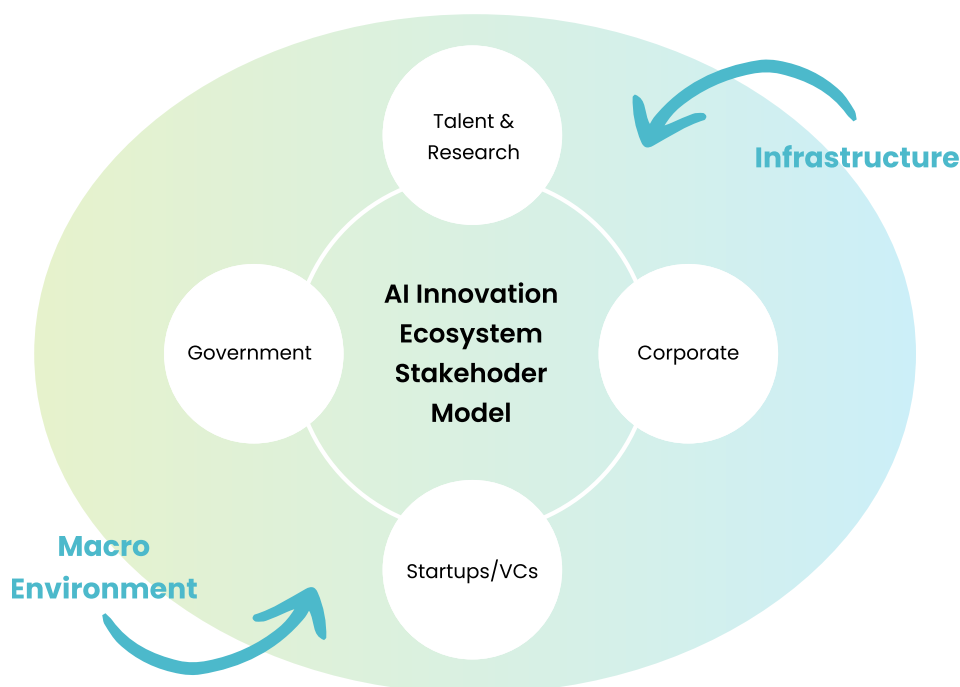
In Brazil, Nubank is using AI to expand credit access to millions of previously unbanked consumers,³¹ while Nigeria's MoniePoint is building AI-driven financial ecosystems for SMEs.³² Across India and Africa, mobile banking innovations are applying AI to scoring and fraud detection to bypass traditional banking systems. In Sub-Saharan Africa, mobile penetration of more than 75% is accelerating advances in fintech, healthtech and edtech applications.³³



Digital and physical infrastructure readiness creates further opportunities. In India, Sarvam AI is training multilingual, open-source LLMs.³⁴ The Middle East is developing culturally attuned Arabic LLMs such as Allam, Falcon and Jais.³⁵ Collaborative data initiatives in Africa also strengthen the region's readiness for AI adoption.

“ Middle East sovereign wealth funds are now committing multi-gigawatt datacenter capacity not just to meet domestic demand, but to attract FDI from the USA and Europe. These commitments are shaping future AI investment flows, as hyperscalers and chip companies see the region as a strategic hub for the next decade.

Director of Direct Investments,
Sovereign wealth fund, Saudi Arabia



ATTRACTING SMART CAPITAL WITH STRONG AI ECOSYSTEMS

According to our survey findings, a collaborative innovation ecosystem is essential to investors seeking to leverage those competitive advantages. Strong cooperation among talent and research institutions, governments, corporations and startups/VCs anchors this ecosystem, with Public-Private Partnerships especially critical to developing the full AI stack to attract and retain investment and deliver value.

Several landmark initiatives in the Global South illustrate the power of these partnerships. In the Middle East, for example, Saudi Arabia’s Public Investment Fund (PIF) launched HUMAIN in May 2025 as a national AI champion to build local and global capabilities in partnership with leading international firms.

In the UAE, the Advanced Technology Research Council (ATRC) and the Mubadala state-owned investment firm created MGX to scale AI infrastructure and applications. The Microsoft–G42 Generative AI Investment Partnership (GAIP), a \$1 billion developers fund, is supporting AI upskilling and innovation in the UAE and beyond.³⁶

In Developing APAC, meanwhile, Indonesia launched the INA–Granite Asia strategic fund for the digital and tech ecosystem in June 2025. This \$1.2 billion joint investment platform between Indonesia’s sovereign wealth fund and Granite Asia is designed to promote digital transformation and foster AI-related ventures.³⁷

In LATAM, Brazil launched the Plano Brasileiro de IA (PBIA) in July 2024, allocating \$4.6 billion through 2028 to finance AI research and development, computing infrastructure and applied projects through public innovation banks.³⁸

In Africa, Google’s continent-wide fund to support AI-powered startups has benefited markets like Nigeria, which introduced a government-backed AI Fund in September 2024 in partnership with Google and supported by the National Centre for Artificial Intelligence and Robotics (NCAIR), a subsidiary of Nigeria’s National Information Technology Development Agency (NITDA).³⁹

The power of Public–Private Partnerships to advance reinventing with AI

The Accenture Capability Hub in Riyadh plays a pivotal role in equipping individuals across Saudi Arabia with essential, future-focused skills in high-demand areas such as cloud computing, data analytics and AI.

By fostering this advanced talent pool, the Hub directly supports the nation’s Vision 2030 digital transformation goals and the development of a competitive workforce. To further accelerate progress toward Vision 2030, Accenture’s LearnVantage Academy is helping businesses across Saudi Arabia to reskill and upskill their employees, helping drive innovation and maximize business value by building both foundational and advanced AI competencies.

The Academy also emphasizes the responsible and ethical use of AI, ensuring long-term, sustainable growth for Saudi Arabian enterprises. This work builds on Accenture’s partnership with SDAIA to establish the national cloud infrastructure, the National Data Bank and the National AI Center of Excellence, all which enable secure, efficient data sharing among government entities.

EXPANDING AI INVESTMENTS IN THE GLOBAL SOUTH

Considering these emerging regional advantages and ecosystem, increased interest from investors is no surprise. Of the 87% of investors who plan to increase their AI investments in the Global South over the next 12 to 24 months, many outlined their priority areas.

Their top regional priorities are India (90%) followed by Southeast Asia (44%), the Middle East (29%), Africa (21%) and LATAM (17%).

In our research, we found that investors are increasingly focusing on several key industries in the Global South for future AI investments, with high-tech top of the list, identified by 40% of respondents.

Close behind, 39% of investors are considering the banking and financial services sector, while 35% are looking at opportunities in software and platforms.

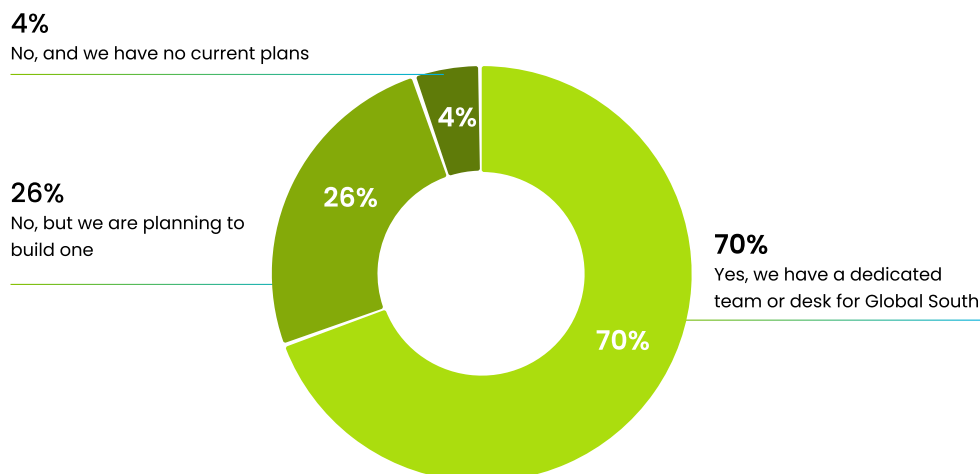
Rounding out their top 10: industrial (32%), retail (29%), insurance (29%), media (26%), capital markets (24%), healthcare (24%) and energy and utilities (23%).

Industries

Investing in next 12–24 months

High Tech	40%
Banking	39%
Software and Performance	35%
Industrial	32%
Retail	29%
Insurance	29%
Media	26%
Capital Markets	24%
Healthcare	24%
Energy and Utilities	23%
Life Sciences	22%
Natural Resources	20%
Public Services	20%
Telecommunications	19%
Transport	19%
Aerospace & Defence	19%
Chemicals	18%
Consumer Goods & Services	15%
Travel & Hospitality	14%

PREVALENCE OF DEDICATED GLOBAL SOUTH INVESTMENT TEAMS



In another sign of that commitment, we found that specialized teams focusing on AI investment opportunities in the Global South are now the norm. In our survey, 70% of respondents said their firms now have a dedicated team or desk in place. Another 26% are planning to establish one, while only 4% have no current plans.

GROWING INCENTIVES FOR GLOBAL INVESTORS

Governments across the Global South are working to attract investment by developing infrastructure, offering tax incentives, investing in their labor pools and targeting key sectors for growth. For example, they are rapidly mobilizing capital to fuel AI innovation through comprehensive national policies and offering attractive tax breaks, such as the subsidies and low or zero corporate tax rates that have been implemented in countries like Saudi Arabia, the UAE and Thailand. These incentives are often paired with sovereign funding, GPU subsidies and streamlined licensing processes.

Massive commitments from sovereign wealth funds are anchoring these growing AI ecosystems, as seen with Saudi Arabia's \$100 billion technology investment plan via Alat and similar multi-billion-dollar funds in the UAE, India and Malaysia.⁴⁰ Trade and strategic partnerships further strengthen the AI landscape, with countries embedding AI clauses in bilateral deals and engaging in cross-border research collaborations with global tech leaders.

Investors are paying attention, with increasing focus on the development of dedicated AI strategies, talent programs, sovereign compute resources and regulatory sandboxes to encourage AI innovation and experimentation. Notable examples include the Saudi Data & AI Authority (SDAIA), Brazil's national AI plan and similar initiatives in Ethiopia, Senegal, Nigeria, Rwanda and the UAE.

A growing AI-skilled workforce with investments in training also matters to investors. Saudi Arabia, for example, stands out as one of the few countries where the relative AI skill penetration rate is higher for women than for men—an achievement that is partly attributed to SDAIA's Elevate Initiative, which focuses on upskilling women in AI through partnerships with Google Cloud and local universities.^{41 42}

WHERE INVESTMENT MEETS INNOVATION

We are already seeing the early outcomes as investors increase their focus on the Global South. Markets across LATAM, Africa, Developing APAC and the Middle East are seeing a sharp rise in startups that are building an AI future from the ground up. Of approximately 94,400 AI startups worldwide, more than one-quarter are based in the Global South. Most of these are driven by Developing APAC countries, which account for more than half of the total.⁴³

In terms of valuation, AI startups in the Global South collectively represent about \$30.2 billion, with Developing APAC leading at \$16 billion. The Middle East follows with \$5.6 billion, LATAM with \$5.3 billion and Africa with \$1.8 billion.⁴⁴ This reflects not only the expanding presence of these startups but also the increasing market confidence in the region's innovative potential.

AI startups in the Global South have received approximately \$16.8 billion in the past three years (2023–25). Developing APAC received the largest share at \$8.2 billion, while the Middle East attracted \$3.6 billion, LATAM garnered \$4.2 billion and Africa secured \$0.8 billion in new investments.⁴⁵

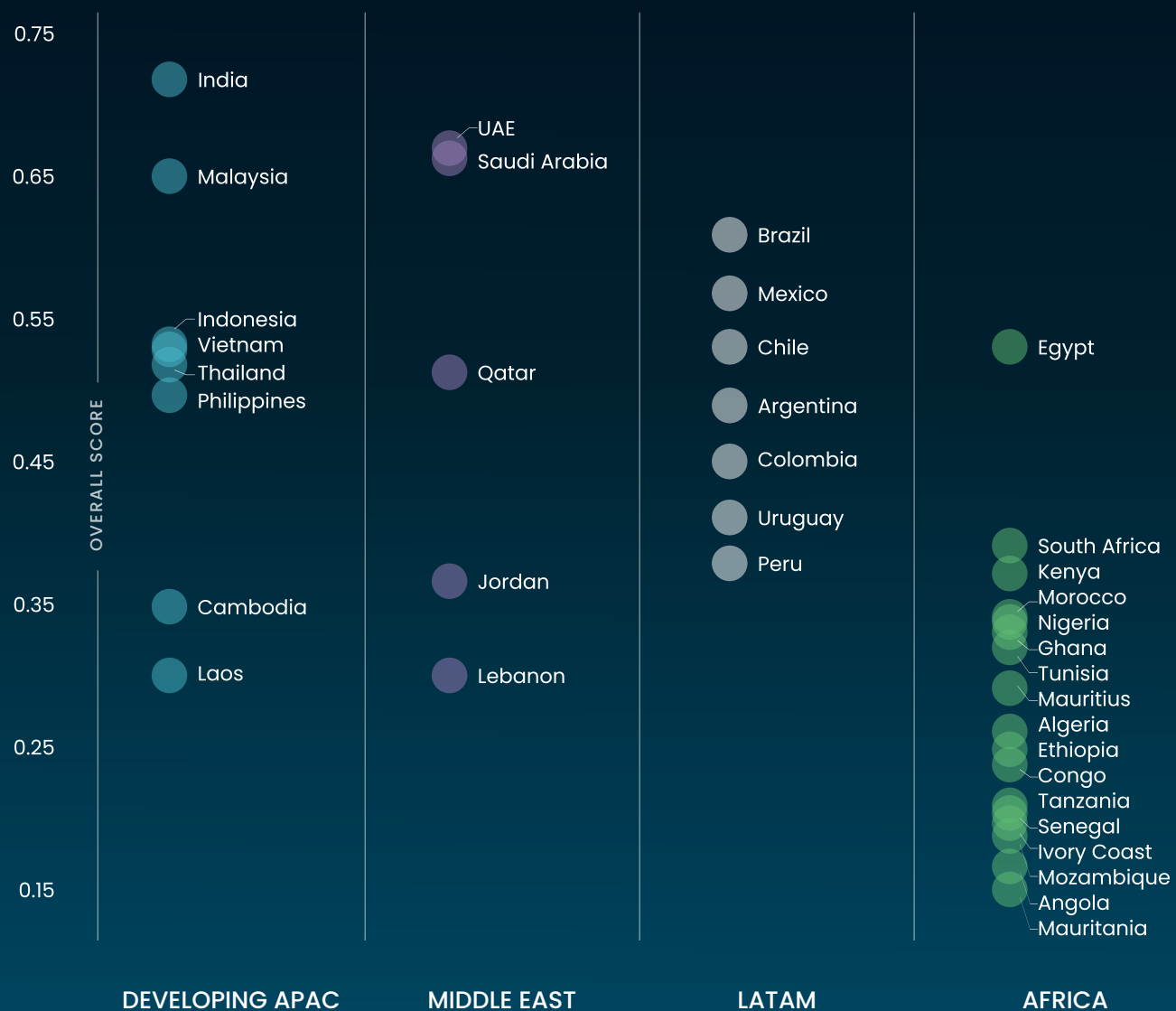
25% of AI startups globally are based in the Global South.

Smart investments like these can catapult entire nations to the forefront of the AI revolution—and the momentum is impossible to ignore. Our analysis identified country leaders across the Global South that are setting the pace, based on the Innovation Ecosystem Attractiveness Ranking, Accenture's proprietary analysis, built on six key dimensions that capture both ecosystem depth and macro-environment strengths for each country based on infrastructure, macro environment, government, talent and research, corporate, and startups and VCs (measuring their scale, maturity and capital). For a deeper dive, visit our microsite, fii-ai-inclusive-navigator.org

Our research shines a spotlight on Global South trailblazers that are actively reshaping the AI investment map. For example, in Developing APAC, India and Malaysia are leading the charge with breakthrough corporate innovation and world-class university research ecosystems, while Vietnam is emerging as a bright spot.

The Middle East's dynamic duo— the UAE and Saudi Arabia— are leveraging robust government strategies and infrastructure to set new standards for digital transformation. LATAM, powered by Brazil, Mexico and Chile, shows impressive growth in startup activity and academic excellence, delivering solid performance across all key indicators. Meanwhile, Africa's story is one of rising potential, with South Africa, Egypt and Nigeria emerging as markets to watch at the continent's cutting edge.

OVERALL SCORE BY COUNTRY, BY REGION - (GLOBAL SOUTH)





Developing APAC:

A dynamic environment for AI innovation

The Developing APAC region, led by India and countries in Southeast Asia, is rapidly emerging as a leading global center for AI investment, driven by strong infrastructure, national AI policies and growing investor confidence.

The region's dynamic and diversified ecosystem includes over 13,500 AI startups, benefiting from robust FDI and active cross-border deals, with \$104 billion invested between 2023 and 2025.⁴⁶

India is a regional standout, hosting 85% of Developing APAC's AI startups and receiving \$2.4 billion in venture capital funding in 2025, while Malaysia and Vietnam are accelerating growth through strategic government initiatives and partnerships.⁴⁷

Collectively, these factors position Developing APAC as a fast-growing AI hub in the Global South, with valuations nearing \$16 billion.⁴⁸

India

India's economy has been growing at a steady pace for several years and is propelled by national programs, robust infrastructure and AI-driven innovation.

Guided by the IndiaAI Mission, the country is building comprehensive AI infrastructure supporting advanced computing, foundational models, skill development and startups all while driving sector-wide pilot projects.⁴⁹

Key advantages for investors include political stability, progressive regulations and maturing local capital markets.

India's B2B application layer is powering credit, wellness and SaaS solutions. The market benefits from global capital inflows and partnerships, highlighted by OpenAI's planned billion-dollar-plus data center and growing semiconductor investments.⁵⁰

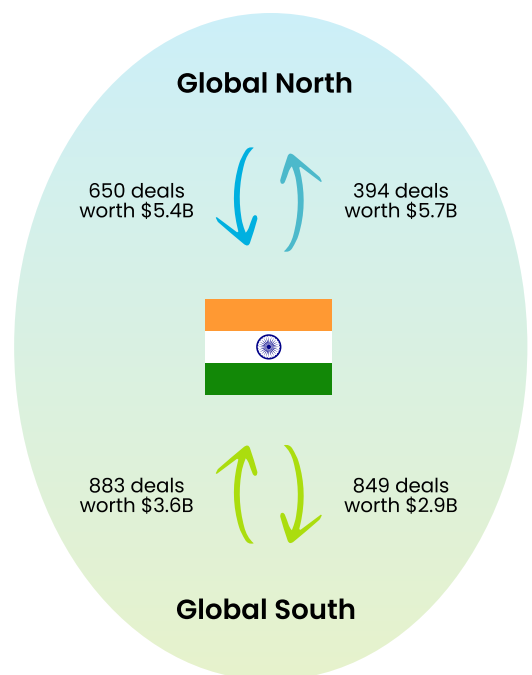
To ensure AI solutions are effective and locally relevant, initiatives like AI4Bharat focus on Indian languages and specific market needs.⁵¹



AI startups:
11,516



Latest valuation:
\$14.4B



Foreign Direct Investments in AI
(2023-25)



Inflows: \$46B

Outflows: \$8B



Vietnam

Rapidly emerging as a leading AI investment destination in Southeast Asia, driven by its ambitious National AI Strategy to 2030.

This comprehensive roadmap supports world-class AI centers, high-performance computing and robust ethical frameworks, positioning Vietnam as a top ASEAN hub.

The government's talent initiatives aim to develop over 50,000 AI specialists by 2030, fueling innovation across sectors such as agritech, healthtech, fintech and logistics through targeted pilot projects.⁵²

Investors benefit from expanding regional partnerships, especially with Singapore and Japan, and a favorable regulatory environment.

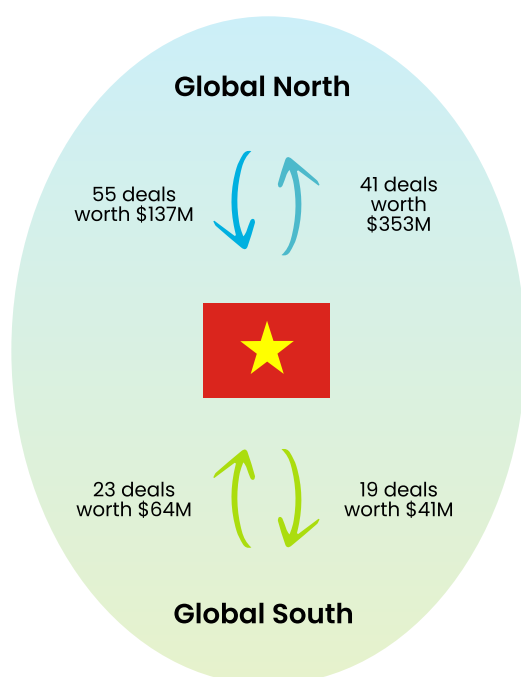
Vietnam's AI ecosystem presents opportunities for growth, collaboration and long-term value creation.



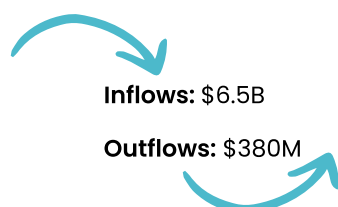
AI startups:
479



Latest valuation:
\$188M



Foreign Direct Investments in AI
(2023-25)



Malaysia

Malaysia is strengthening its position as ASEAN's emerging AI hub, guided by the Malaysia AI Roadmap (2021–2030) and the National AI Office.

Strategic government policies are driving investments in semiconductor and computing infrastructure, connecting Malaysia to global AI supply chains and supporting advanced digital transformation.

Investors are attracted by a stable political environment, favorable state incentives and maturing local capital markets, which foster innovation, collaboration and long-term growth.

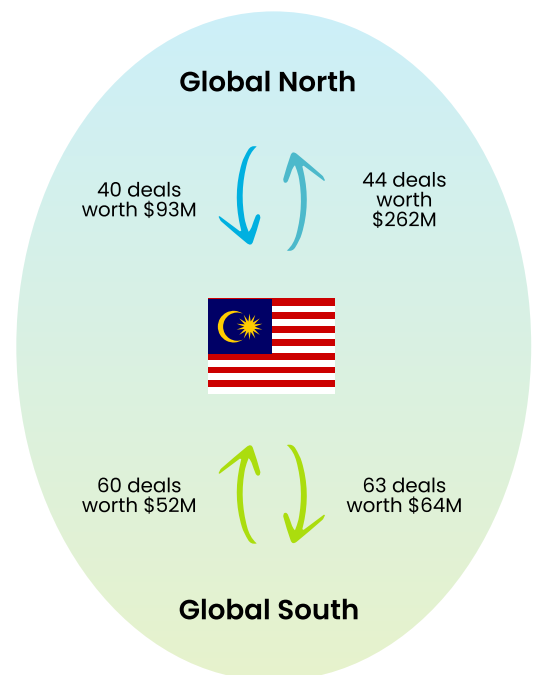
Malaysia's commitment to developing talent, supporting startups and expanding digital infrastructure is creating fertile ground for AI-driven solutions across sectors. With robust sovereign fund backing, Malaysia is poised for dynamic growth and regional leadership by 2030.



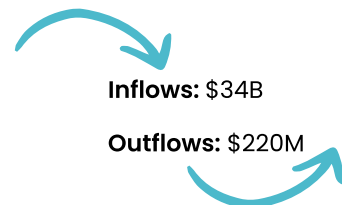
AI startups:
483



Latest valuation:
\$78M



Foreign Direct Investments in AI
(2023–25)



Indonesia

Indonesia is advancing its AI ecosystem, guided by the National AI Roadmap 2025–2029, which prioritizes ethical frameworks, robust infrastructure, upskilling and clear regulations.

To accelerate national growth, the government has announced plans to launch a sovereign AI fund through Danantara to finance critical infrastructure and strategic projects, while the anticipated Presidential Regulation on AI is expected to provide regulatory clarity.⁵³

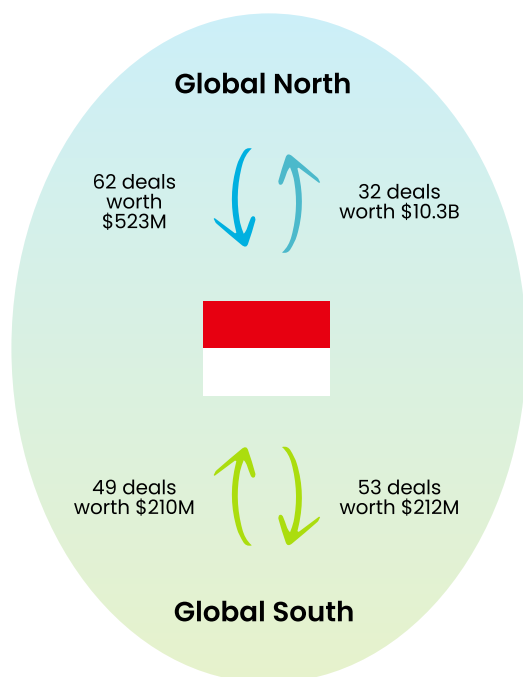
Indonesia's thriving Public-Private Partnerships which includes accelerator programs backed by global players like Google, are nurturing over 100 AI startups with training and cloud credits, and positioning Indonesia as an attractive investment destination for AI innovation and collaboration.⁵⁴



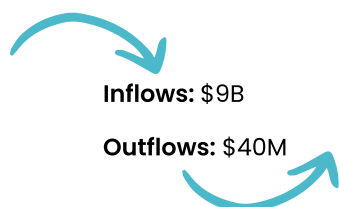
AI startups:
463



Latest valuation:
\$966M



Foreign Direct Investments in AI
(2023-25)





Middle East: A rapidly expanding AI ecosystem

The Middle East's AI ecosystem is growing rapidly, supported by \$20 billion in FDI inflows, strong government backing and robust cross-border investments.⁵⁵ Unique for its massive \$87 billion in FDI outflows, primarily from Saudi Arabia and the UAE, the region reinvests heavily in ambitious transformation projects.⁵⁶

With over 2,200 AI startups valued at \$5.6 billion, national strategies in the UAE and Saudi Arabia and large infrastructure investments, the Middle East is becoming a global AI hub.⁵⁷

Major initiatives like Vision 2030, HUMAIN and giga-projects such as NEOM, along with collaborations with global tech leaders and accelerators like Hub71, are propelling innovation and sector-wide AI adoption.

Advancements in Arabic-language AI applications further position the region as a key player in the Global South, attracting investment, talent and international partnerships.

Saudi Arabia

Saudi Arabia is building a robust foundation for long-term AI leadership through national programs and deep-tech investments.

The Vision 2030 AI ecosystem is anchored by SDAIA's policy and strategy, HUMAIN's global partnerships, Alat's commitment to \$100 billion in AI and semiconductors by 2030, and Tonomus's focus on smart city infrastructure.^{58 59 60}

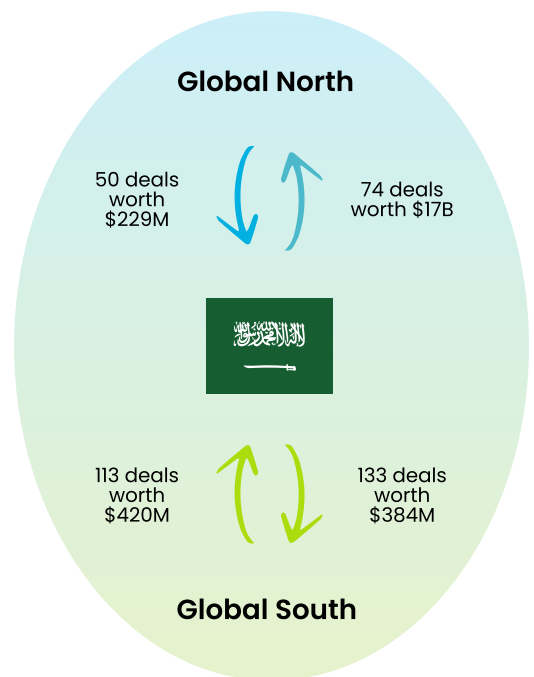
Nearly half of deep-tech startups target AI and IoT, supported by a nearly \$1 billion funding foundation and a \$20 billion investment goal.⁶¹ The Public Investment Fund (PIF)–Google Cloud partnership is establishing an advanced AI hub to enhance Arabic AI and is expected to contribute approximately \$71 billion to GDP over eight years.⁶²



AI startups:
374



Latest valuation:
\$519M



Foreign Direct Investments in AI
(2023–25)



Inflows: \$12B

Outflows: \$480M



United Arab Emirates

The UAE is advancing as an AI leader, powered by sovereign capital, a comprehensive national AI strategy and international partnerships.

The UAE's AI Strategy 2031 is spurring innovation across key sectors including healthcare, energy, education, transportation and government services.⁶³

The recent launch of MGX, a sovereign investment vehicle, is targeting up to \$100 billion for AI infrastructure and startups, Hub71, featuring partnerships with Amazon Web Services, NVIDIA, Google and Mohamed Bin Zayed University of Artificial Intelligence (MBZUAI), demonstrates a commitment to long-term innovation and the nation's compute capacity and startup ecosystem.^{64 65}

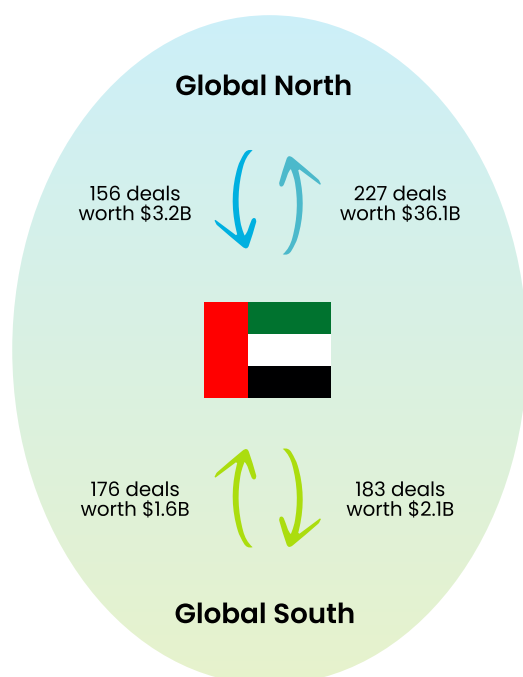
Additionally, collaborations with BlackRock, Microsoft and Global Infrastructure Partners (GIP) on AI infrastructure and data centers are fostering digital transformation.⁶⁶



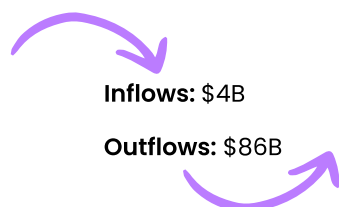
AI startups:
1,599



Latest valuation:
\$4.9B



Foreign Direct Investments in AI
(2023-25)





LATAM: A growing AI frontier

Latin America's AI ecosystem is rapidly advancing, driven by rising foreign investment, sector innovation and national strategies. Countries like Brazil and Mexico are investing in AI plans, data centers and public service adoption, while incentives support local talent.

The region is home to nearly 6,000 AI startups valued at \$5.3 billion, with \$25 billion in FDI, led by Brazil and Mexico.⁶⁷ Brazil stands out for its \$4 billion AI plan, 80% renewable energy and Microsoft's \$2.7 billion investment.^{68 69 70}

Mexico, with its \$9 billion AI+ Accelerated Investment initiative and Microsoft's \$1.3 billion commitment to expanding infrastructure and training, is also becoming a regional hub.^{71 72} These factors position LATAM as a key AI region in the Global South, supported by policy, renewable energy and cross-border investment.

Brazil

Brazil is LATAM's leading AI startup hub, driven by a comprehensive national strategy, major technology investments and favorable clean energy policies.

The government's \$4 billion AI plan is supporting infrastructure, innovation, workforce training and regulatory advancement. Its AI market is projected to reach \$11.6 billion by 2030, with robust private sector investment.⁷³

Microsoft's \$2.7 billion commitment is expanding its cloud and AI capabilities, alongside training initiatives expected to reach 5 million people.

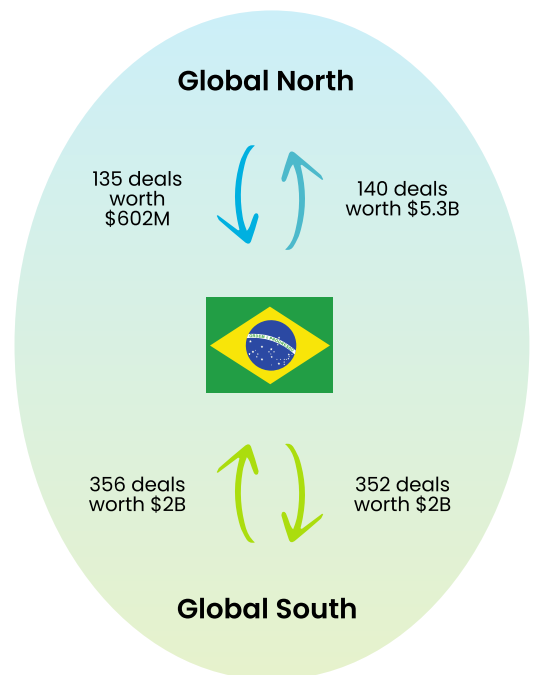
Brazil's energy grid, powered by 80% renewables, and targeted tax incentives are attracting clean AI data centers. AI-first startups like CloudWalk are driving innovation in fintech, while vibrant activity in conversational AI, healthtech and edtech highlight Brazil's dynamic sectoral growth.



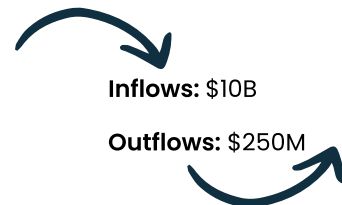
AI startups:
3,012



Latest valuation:
\$3.2B



Foreign Direct Investments in AI
(2023-25)



Mexico

Mexico is solidifying its role as a regional AI gateway, leveraging strong enterprise adoption, open-source tools and United States-Mexico-Canada Agreement (USMCA) advantages.

The government's AI+ Accelerated Investment initiative, scheduled to launch in November 2025, aims to attract \$9 billion in AI and data center investments, while a new legislative proposal guides responsible and inclusive AI development.

Sector strengths include fintech, healthtech, mobility, e-commerce and data-driven analytics, fueled by M&A and increasing collaboration across borders.

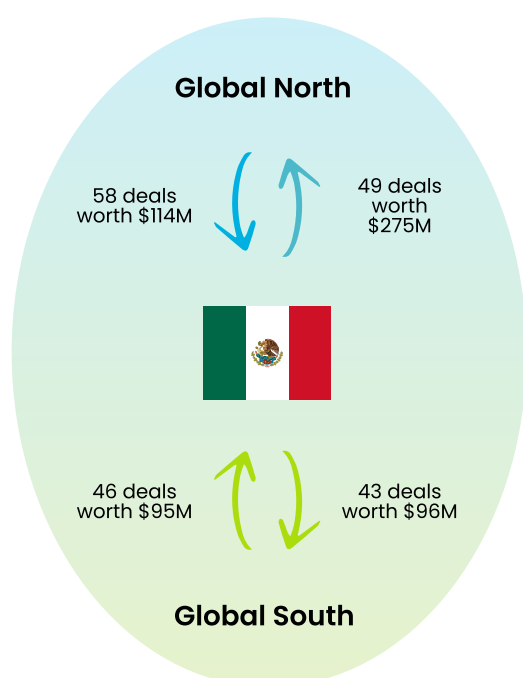
Mexico's strategic position, regulatory framework and growing infrastructure also make it a compelling destination for investors seeking dynamic growth in LATAM's AI landscape.



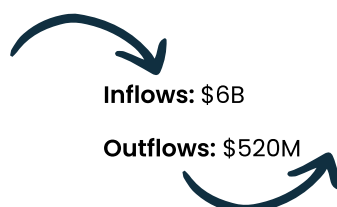
AI startups:
825



Latest valuation:
\$251M



Foreign Direct Investments in AI
(2023-25)





Africa: A maturing AI presence

Africa is advancing in AI, supported by progressive policies, increased funding and a growing network of innovation hubs. Its \$1.8 billion AI ecosystem and \$9 billion in foreign direct investment also reflect rising confidence in Africa's potential for continued innovation and ability to overcome structural challenges.⁷⁴

National AI strategies, digital skills initiatives and AI labs are supporting the continent's integration into the global AI ecosystem.

More than 700,000 developers and an expanding AI workforce are fueling growth across nearly 2,000 AI startups, advancing sectors like fintech, agritech, healthcare and logistics.⁷⁵ Notable investments, such as Google's AI fund and substantial funding by Microsoft and Visa, are benefiting countries including Egypt, Nigeria and South Africa.^{76 77 78}

Egypt

Egypt is leveraging its strategic location, vast talent pool and strong government-backed investments in infrastructure and connectivity to drive MENA–Africa integration and regional leadership.

With robust data centers, regulatory frameworks and compute capacity, Egypt is driven by the National AI Strategy 2025–2030 in its goal to support 250 AI startups, nurture 30,000 skilled professionals and advance key sectors, including driving information and communication technologies, its fastest-growing sector, to 7.7% of GDP by 2030.⁷⁹

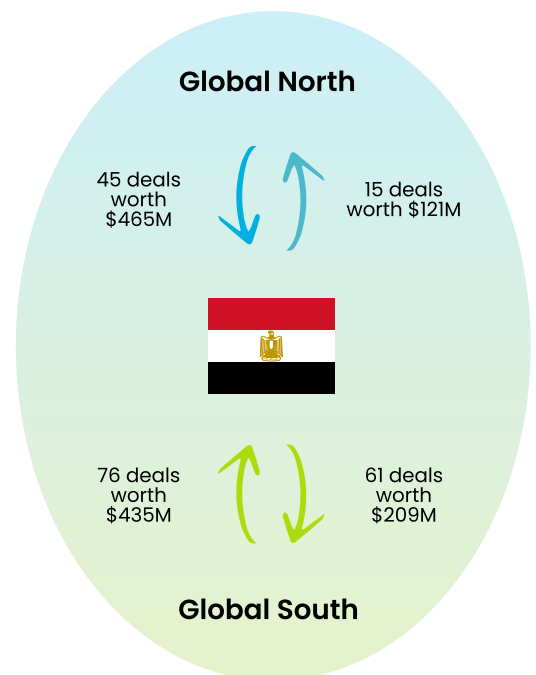
The Public–Private ecosystem, led by the Information Technology Industry Development Agency and global partners, brings together startups, investors and academia to foster cross-sector innovation.



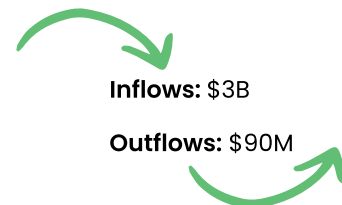
AI startups:
298



Latest valuation:
\$939M



Foreign Direct Investments in AI
(2023–25)



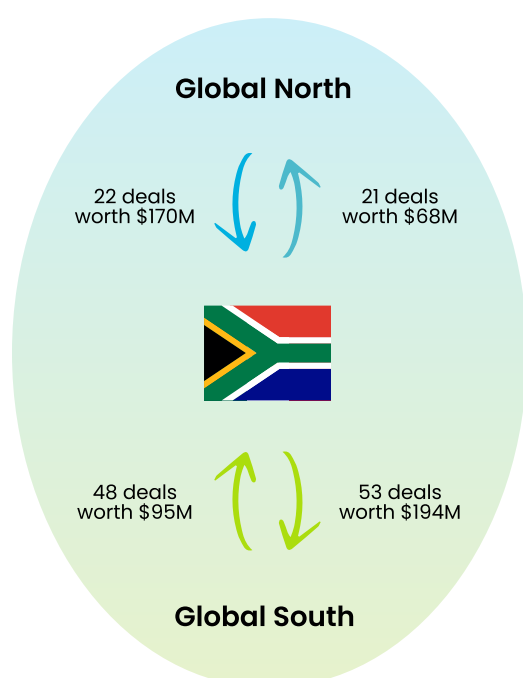
South Africa



AI startups:
601



Latest valuation:
\$387M



Foreign Direct Investments in AI
(2023-25)



South Africa is scaling its AI ecosystem, fueled by strategic digital infrastructure initiatives, such as the national Digital Economy Mission Plan and SA Connect, to expand broadband availability, foster digital skills and support innovation hubs.

Backed by a Microsoft–government partnership, the country is accelerating access to AI tools for startups and building momentum across key sectors including fintech, healthcare, agriculture and retail.

Other major investments, like Visa's Johannesburg data center, are strengthening enterprise data and AI capabilities, while South Africa's policy focus and skills partnerships create the foundation for technology-driven transformation.⁸⁰

Nigeria

Nigeria is an emerging AI hub in Africa, driven by the National AI Strategy 2024, Google-backed startup funding and the nationwide 3 Million Technical Talent (3MTT) initiative.⁸¹

With a strong focus on responsible AI, infrastructure and inclusive growth, Nigeria is building robust capacity and expanding access to AI and data science skills.

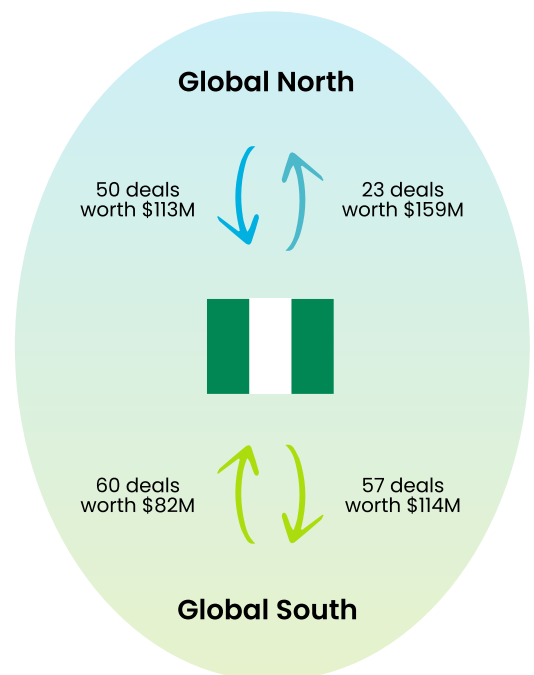
Google's AI Fund, a pan-African commitment with partners including Nigeria's NCAIR, is catalyzing innovation by supporting promising local startups, while the country's AI Research Scheme 2025 is enabling critical research and solutions across key sectors such as agriculture, healthcare, education, security and sustainability.^{82 83}



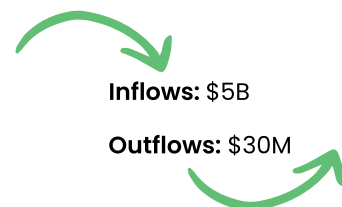
AI startups:
409



Latest valuation:
\$317M



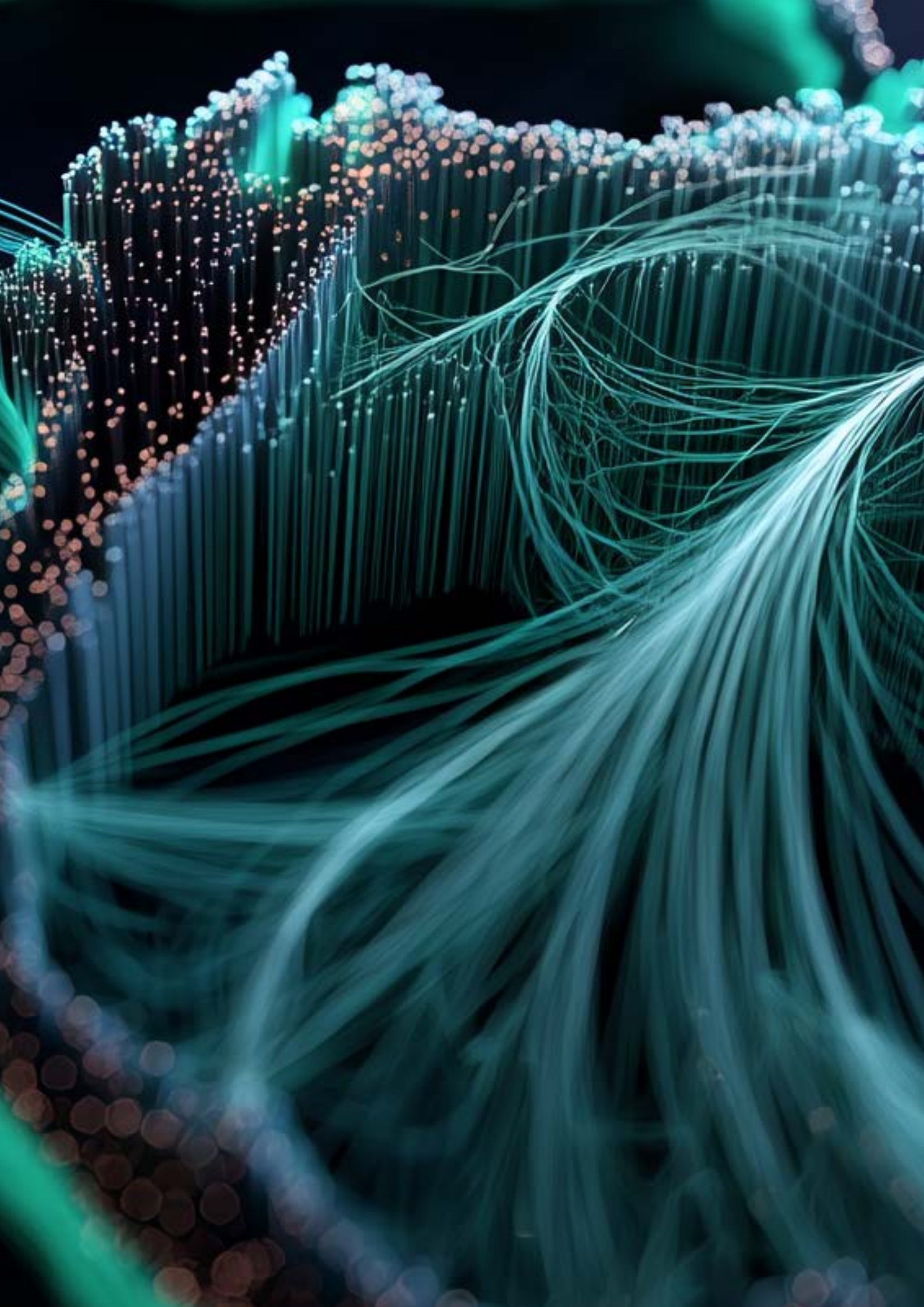
Foreign Direct Investments in AI
(2023-25)



The acceleration of AI across the Global South represents a pivotal opportunity.

By leveraging the region's distinctive strengths and untapped potential, investors have the chance to shape and benefit from the next wave of global AI growth.

A CALL TO ACTION:
HOW TO CAPITALIZE ON THE
GLOBAL SOUTH OPPORTUNITY



A blueprint for change: Five imperatives for global AI investors

Our analysis identified five critical strategies for unlocking the potential of AI-driven growth in markets across the Global South. From nurturing long-term talent pipelines to forging trusted networks, uncovering unique AI sector opportunities, leveraging strategic government initiatives and designing tailored investment frameworks, these imperatives provide a roadmap for investors and business leaders seeking to thrive in the rapidly evolving landscape of global AI innovation.

1 Back long-term plays and talent pipelines

The real opportunity in the Global South for forward-thinking CEOs and investors lies in strategically cultivating long-term capabilities and building robust talent pipelines within emerging economies. Regional leaders are already driving transformative change in tackling the AI skills gap by developing local expertise that helps to build a deep reservoir of competitive talent and empowering founders to build world-class ventures in their home countries.

To realize this vision, investors can support ambitious founders in scaling their businesses into global contenders, targeting sustainable revenues. This requires a collaborative approach: bridging academia, industry and government to establish and fund research hubs, launch fellowships and implement AI skills programs tailored to local needs. Initiatives like Saudi Arabia's *One Million Saudis in AI (SAMAI) Initiative*, India's BharatGen, Kenya's AI labs and Nigeria's data-labeling hubs are critical for nurturing and retaining skilled professionals, and for attracting top-tier talent back from the diaspora.

Our research underscores the potential of this strategy: 36% of investors surveyed believe that stronger local AI talent ecosystems could meaningfully shift capital flows toward the Global South. India stands out, with 71% of surveyed investors ranking it as a leading destination for AI investment, driven by its deep reservoir of competitive talent. The message is clear—sustainable talent pipelines are a magnet for investment and a catalyst for regional innovation.

2 Build trusted networks and ecosystems

Tapping into the transformative power of AI in global markets requires not only investing but also building alliances tailored to the nuanced demands of each country and region. Strategic partnerships and local collaborations are central to scaling investments and unlocking long-term value in AI.

Robust networks are the backbone of successful AI investment. Our research reveals that 62% of investors actively depend on local venture and innovation partners to validate and de-risk opportunities in this dynamic sector. Furthermore, having clear exits through M&A activity (60%) and teaming up with experienced co-investors (59%) significantly boosts confidence in backing AI startups from the Global South.

Notably, two-thirds of respondents express a strong inclination to participate in collaborative investment structures, such as blended finance and Public-Private funds, designed to foster AI innovation in these regions.

Building the AI ecosystem requires more than capital—it demands investment in foundational infrastructure like data hubs, compute clusters, and sovereign AI campuses. Co-investing with corporates, sovereign funds, development finance institutions and regional venture capitalists is vital for mitigating risk and enhancing credibility. Successful exits also depend on adapting to local realities.

3

Explore unique AI stack and sector opportunities

The Global South is rapidly unlocking the full spectrum of the AI stack, but the landscape is anything but uniform. Investors seeking the next wave of scalable innovation across these markets must identify distinctive AI plays and assess opportunities shaped by local advantages, sectoral demands and growing regional strengths.

Our survey reveals that 74% of Global South investors are currently investing in the application layer, with 69% poised to deepen these investments. At the same time, the data layer is attracting growing attention, with 68% already committed and 77% expected to join in the near future. However, the vast majority of Global South AI startups (95%) remain focused on the application layer, leaving critical gaps in data centers, cloud services and core infrastructure. For investors, this presents a chance to achieve outsized returns by backing these underfunded layers, especially as government support increases.

Focusing on high-impact sectors, where AI-led innovation is powering national priorities, is also key. Across the Global South, AI is transforming agriculture in Africa and LATAM, expanding access to affordable healthcare in India and LATAM, and driving energy and climate tech advancements in Brazil and the Gulf. Developing APAC is seeing AI-driven growth in e-commerce logistics and consumer-oriented social technologies. Hyper-localized and language-specific AI solutions like Saudi ALLaM and UAE Falcon, are other pertinent considerations, as they emerge across the region as unique assets that global giants cannot easily replicate.

4 Prioritize markets with strategic government initiatives

The Global South is rapidly emerging as a pivotal region for AI advancement, underpinned by robust national strategies, dedicated regulatory bodies and sovereign enablers. Governments across India, Saudi Arabia, Kenya, Brazil and the UAE are crafting comprehensive AI roadmaps supported by regulatory authorities and innovation accelerators. These coordinated efforts are creating a fertile environment for AI investors who align with these strategies and hubs, working toward shared goals that promise to reshape economic and technological landscapes.

Our research shows that national strategies strongly influence investment decisions: 86% of executives we surveyed said these strategies are a key driver of AI investment in the Global South. This momentum is being further propelled by dedicated government institutions, such as Saudi Arabia's SDAIA, UAE's Office of Artificial Intelligence and IndiaAI who are tasked with overseeing policies and fostering responsible AI adoption. Sovereign enablers and accelerators, including Saudi Arabia's Public Investment Fund and the UAE's Falcon Foundation, are also boosting confidence by providing direct support for startups, infrastructure and access to national datasets.

The convergence of policy clarity, regulatory incentives and sovereign support mechanisms in the Global South presents an unparalleled opportunity for investors. Regulatory sandboxes, startup acts and tax incentives not only reduce risk but also facilitate rapid scaling and market entry. Access to resources like compute credits, tax zones and talent visas, further position the Global South as a compelling destination for forward-looking AI investment and partnership.

5 Build tailored investment strategy frameworks

The dynamic markets of the Global South, characterized by rapid innovation and shifting economic landscapes, demand a strategic approach that goes far beyond traditional, uniform investment playbooks. By adapting proven frameworks to local realities and priorities and using data-driven analytics to drive investment choices, investors can unlock new sources of value while managing unique risks and capitalizing on region-specific trends.

Success in these markets requires recalibrating proven frameworks to account for policy volatility, infrastructure readiness and macro risk factors, while also aligning investment approaches to specific lifecycle stages or priorities like healthcare, sustainability and supply chain resilience. Our research underscores the importance of this approach. Notably, 76% of investors expressed a strong likelihood to participate in collaborative investment structures, such as blended finance and Public-Private funds, in the Global South. Respondents cited enterprise AI spend and government AI R&D funding as the leading indicators guiding their investment decisions.

Innovative capital structuring—blending funding sources such as development banks, publicly-traded companies and venture capital—can help spread risk and facilitate incremental investment as startups reach key milestones. Additionally, investors must plan for longer exit horizons, as exits in regions like Africa and Southeast Asia often extend beyond seven years, requiring adaptability to local exit pathways such as IPOs, trade sales and gradual M&A. By aligning strategies to these realities, investors can position themselves to capture sustainable value in developing markets.



The path to rebalancing intelligence

In an era where AI is redefining industries and shaping the future of global intelligence, now is the time for investors to look beyond traditional markets and tap into the vast potential unfolding across the Global South.

The evidence is clear: **Emerging economies are actively driving innovation, backed by robust government policies, vibrant talent ecosystems and significant financial commitments.** Yet as with every major technological shift, AI's current surge of enthusiasm comes with its own cycle of exuberance and correction. While there is undeniable hype, the underlying technological transformation is real and enduring.

By embracing a region-specific, long-term investment approach, investors can look past the noise to capture sustainable value—diversifying portfolios while positioning themselves for lasting impact. And by contributing to advancements in AI naturally rooted in real-world applications, productivity and inclusion, they can help ensure that when the dust settles, the benefits of this revolution are broadly shared—supporting a more equitable and prosperous future.



Appendix

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RESEARCH METHODOLOGY – DETAILED

This research examines investment activity in startups and ventures that lead with AI.

In the context of this specific research report, the Global North is defined by the following countries: APAC: Australia, New Zealand, Japan, Singapore, South Korea. Europe: Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Liechtenstein, Luxembourg, Malta, Monaco, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom. North America: United States, Canada.

The Global South is defined by the following countries: Africa: Algeria, Angola, Congo, Ivory Coast, Egypt, Ethiopia, Ghana, Kenya, Mauritania, Mauritius, Morocco, Mozambique, Nigeria, Senegal, South Africa, Tanzania, Tunisia. Developing APAC: Cambodia, India, Indonesia, Laos, Malaysia, Philippines, Thailand, Vietnam. Latin America: Argentina, Brazil, Chile, Colombia, Mexico, Peru, Uruguay. The Middle East: Jordan, Lebanon, Qatar, The Kingdom of Saudi Arabia, the United Arab Emirates. All other countries not previously mentioned, were not included in our study.

AI companies: For the purpose of this project, “AI companies” include companies which are AI-native companies and/or focused on the development of AI native products and services. We consider an AI-native organization is one built with AI at its core—where AI drives products, decisions, and operations so deeply that without it, the business cannot function.

Investor Survey

Accenture Research conducted a survey of 250 C-suite leaders in private equity firms (40%), venture capital firms (40%) and corporate venture capital units of large enterprises (20%). The survey was fielded between August 2025 and September 2025.

Respondents were based across North America (40%), Europe (40%) and Asia Pacific (20%): Australia, Japan, Singapore, Belgium, France, Germany, Netherlands, Spain, Sweden, Switzerland, Canada, the United States and the United Kingdom.

Respondents were asked questions around their firm’s capital allocation to AI in developing markets, perceptions and barriers around investments in developing markets and foresights around cross-border collaboration, investor-start-up trust and the emergence of future unicorns.

Investor Interviews

Between August and September 2025, Accenture Research conducted 15 interviews with seasoned investors from some of the largest private equity and venture capital firms and sovereign wealth funds that covered four main themes: Investment Appetite & Directionality, Demand-Side Ecosystem Readiness, Supply-Side Investment Levers and Future Outlook & Collaboration. Through a GenAI-driven analysis of these interviews, we gained an inside view of investor opinions on capital flows into the Global South, uncovering nuanced perspectives on opportunities, risks, and enabling conditions. By applying LLMs to interviews, the study surfaces both the quantifiable patterns of investment sentiment and the qualitative depth of investor outlooks, offering a clearer picture of how global capital is engaging with emerging markets.

Innovation Ecosystem Attractiveness Ranking

Innovation ecosystems are decisive in attracting investments. Mature hubs act as magnets, while white spaces represent opportunities for value creation. Universities, startups, corporates, governments and research centers—together with infrastructure and macro fundamentals—form the roots of investment attractiveness.

Accenture Research developed an Innovation Ecosystem Attractiveness Ranking built on six key dimensions that capture both ecosystem depth and macro-environment strengths for each country. Each dimension is the average of normalized variables (except startups/VCs, which applies weighted averages). The overall index is the mean across the six dimensions. Variables are normalized by percentiles (0–1 scale). For example, a 0.9 percentile indicates performance above 90% of the sample (North and South included). Missing values are added using nearest neighbors, except when more than 40% of data is missing, in which case the lowest regional quartile was applied.

Innovation Ecosystem Attractiveness Ranking

Dimension	Variables
Infrastructure	• IMF Digital Infrastructure • Total Electricity Generation Per Person
Macro Environment	• IMF Innovation And Economic Integration • IMF Cumulative GDP per capita Growth 2025-2030
Government	• IMF Human Capital and Labor Market Policies • Tortoise Government Strategy
Talent & Research	• Tortoise Research • Tortoise Development • AI Patent Intensity 2022-2024 • OECD AI Skills Penetration • Number of universities offering AI courses
Corporate	• Infrastructure Capex • Software Capex • Tortoise Operating Environment • Total FDI As Destination
Startups/VCs 33% scale 33% maturity 33% capital	• Scale: Number of startups • Scale: Number of Next-Gen AI startups* • Maturity: Number of unicorns • Maturity: Share of unicorns • Maturity: Share of exists (IPO/acquired) • Capital: Total funding • Capital: Funding per startup

*Startup's foundational technology natively incorporates, facilitates, or depends on Generative and Agentic AI-driven reasoning capabilities.

GLOSSARY

agritech – Technology that supports farming and other agricultural processes

AI-native organization – An organization built with AI at its core—where AI drives products, decisions and operations so deeply that without it, the business cannot function

APAC – The Asia-Pacific region is a major geopolitical and economic region

ASEAN – The Association of Southeast Asian Nations is an intergovernmental organization of ten Southeast Asian countries: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam

B2B – business-to-business

biotech – Technology that incorporates living organisms and biological processes to improve human health and society

blended finance – A strategy that uses public capital (from governments, development institutions or philanthropies) to attract and leverage private investment for projects that have a high social or environmental impact

cloud credit – A form of virtual currency or promotional balance offered by cloud providers that can be used to pay for cloud computing services

conversational AI – A type of artificial intelligence that can simulate human conversation, including chatbots and virtual assistants, by using natural language processing

DFI – Development Finance Institutions are publicly or government-owned entities that provide financing to projects and private sector businesses in developing countries

edtech – Technology that enhances education and the learning experience

FDI – Foreign direct investment made by a company or individual from one country into a business in another country

fintech – Technology that supports banking and other financial services

Global North – Highly industrialized countries, generally in the Northern Hemisphere but also including Australia and New Zealand

Global South – Developing and emerging nations, primarily in Africa, Asia, Latin America and parts of the Asia-Pacific

GPU – Graphics Processing Unit chips that handle complex tasks, like displaying images and videos, essential for AI

healthtech – Technology that enhances healthcare delivery, improves patient outcomes and promotes well-being

HPC – High performance computing that uses powerful parallel processing capabilities to solve complex, large-scale problems

IoT – The Internet of Things refers to the network of physical devices, vehicles, home appliances and other items embedded with sensors, software and other data-connected technologies

IPO – initial public offering

KSA – Kingdom of Saudi Arabia

LATAM – A cultural region whose countries include Brazil and Mexico

M&A – mergers and acquisitions

MENA – A geopolitical and economic region that includes countries spanning from Western Asia through Northern Africa

GLOSSARY (CONT'D.)

Public-Private – Cooperative arrangements between government entities and private companies to deliver services or projects

R&D – research and development

ROI – return on investment

SaaS – Software as a Service is a cloud-based software delivery model where a third-party provider hosts applications and delivers them to customers over the internet on a subscription basis

SEA – Southeast Asia countries, including Malaysia, the Philippines and Vietnam

Sovereign AI – The development and deployment of AI systems under the control of a specific nation or entity

Sovereign wealth fund (SWF) – A state-owned investment fund

unicorn – A privately held startup company valued at over \$1 billion

USMCA – The United States-Mexico-Canada Agreement free trade agreement

VC – venture capital

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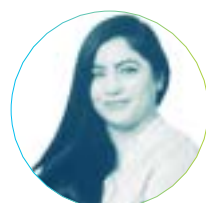
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