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# The Rise of Agentic AI in the GCC

## Riding the Next Wave of AI Revolution

October 2025

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# Contents



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# Foreword

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AI has become an essential driver of innovation and growth across every industry. The GCC has seized this opportunity with bold investments in digital transformation, positioning the region as a front-runner in applying AI to deliver better services, stronger economies, and new business models.

This report highlights the next wave of opportunity: Agentic AI. It shows that momentum is building fast: almost three-quarters of organisations surveyed in the GCC are planning to adopt the technology, with 19% already moving beyond pilots to full-scale implementation.

Leadership is proving critical to success. We see a decisive shift as the C-suite takes the lead in shaping AI strategies, integrating AI into core business processes and driving transformation across functions, rather than confining it to IT teams alone. Alongside investment, infrastructure, and skills, the adoption of this AI mindset - moving beyond efficiency gains to reimagine how your business operates, with AI as an enabler of reinvention - is what will mark out the next wave of successful businesses.

At AWS, we are committed to helping customers in the GCC turn this potential into measurable outcomes—offering the secure, scalable cloud and data foundations businesses need to innovate at speed and thrive in this new era of AI.

**Harrison Lung**
*Group Chief Strategy Officer*
*e&*

The GCC has never been content to follow; it seizes opportunities and takes responsibility for defining the future on its own terms. And Agentic AI is the region's next wave, as the GCC leaps from experimenting with AI pilots to enterprise-scale adoption, embedding AI at the core of how industries run, how citizens are served, and how economies grow.

At e&, our focus is clear: to ensure this shift reflects the region's priorities: sovereignty, resilience, and inclusivity.

We bring the scale of trusted networks, the reach of deep enterprise and government partnerships, and the credibility of working hand-in-hand with regulators, making AI adoption practical, secure, and aligned with national visions. Together with AWS, we combine world-class innovation with regional delivery and trust, cementing a foundation built for the GCC's unique context.
That is why we commissioned IDC to conduct this dedicated research study and survey: to cut through the noise, capture the reality of adoption, and surface the insights that matter from decision makers across the GCC. The findings highlight both the momentum and the maturity emerging in our region.

This paper offers an overview of where the region stands today, the opportunities ahead, and the choices leaders must make now to ensure Agentic AI delivers tangible impacts, for business, for government, and for society. It serves as a roadmap for action for organizations in the GCC to stay competitive in the decade to come.

# Executive Summary

Artificial Intelligence (AI) has long been a transformative force, but recent technological advancements have significantly elevated its role in shaping industries, governments, and academia. No longer a mere buzzword, AI has become a strategic differentiator for technology providers and their partners. AI-powered software applications, development platforms, and hardware infrastructure are enabling organizations to deliver innovative experiences that were once unimaginable.

The evolution of AI has been swift and dramatic. Conversations about AI assistants in 2021 and early 2022 have matured into discussions about AI agents by late 2024 and early 2025. IDC's global research on Agentic AI highlights that workflows and processes powered by this advanced form of AI will dominate business operations worldwide within the next decade or two.

While global adoption of Agentic AI is still unfolding, organizations in the Gulf region are accelerating their AI-led transformation. IDC surveyed 226 organizations across the UAE, Saudi Arabia, Qatar, Kuwait, and Bahrain, representing key industries such as Financial Services, Government, Retail, Media & Entertainment, and Energy. Although Agentic AI adoption is not yet mainstream in the Gulf, early signs of progress indicate a promising trajectory.

The survey reveals that over half of the organizations in the Gulf region have enterprise-wide unified AI strategies. These strategies involve AI implementations either at the function level or across the enterprise. Notably, 10% of organizations are leveraging AI to redefine their products and services, positioning themselves as early adopters and trendsetters. While this figure may seem modest, it signals positive momentum. Furthermore, the study highlights a shift in decision-making authority, with 60% of respondents indicating that AI strategies are driven by CEOs, CFOs, CTOs, or other business leaders, rather than being confined to IT departments.

IDC's research also shows that 74% of organizations in the Gulf region have plans to adopt Agentic AI, while only 26% remain in the "wait and watch" phase. Among the 74%, 19% have progressed from pilot projects to full-scale implementation. These organizations have identified specific use cases, selected the necessary tools, and allocated budgets to support their Agentic AI initiatives. IDC's research reveals interesting insights about the early adopters. These companies across various industries have prioritized use-cases for IT Operations and Cybersecurity to start with. The research further reveals that they intend invest in adopting AI agents in these functions in the 12 months. Initial success has prompted these companies to scale the adoption in other functions such as Marketing, Operations, and Legal etc. *The 19% mature adopters have a few interesting attributes that help them stand out.* First, they have invested in streamlining their organizational data required for the Agentic AI use-cases. Data Lifecycle Management is critical for the Agentic AI adoption. Second, these companies have empowered their employees through skill development programs and have collaborated effectively with technology vendors and partners that have capabilities to deliver Agentic AI use-cases successfully. Third, they have invested significantly in driving change management programs across the hierarchy.

Agentic AI represents the future of AI, offering organizations the potential to unlock significant employee productivity, deliver superior customer experiences, and achieve financial goals—all while building resilience in an era of economic uncertainty. However, this transformation cannot be achieved in isolation. Organizations must collaborate with an ecosystem of technology vendors and partners that possess a strong presence in the Gulf region, deep technological expertise, long-term leadership commitment, and proven credentials to implement impactful use cases.

# Research Methodology


## Survey snapshot

IDC surveyed 226 organizations in August 2025 in the Gulf region that has more than 100 employees to assess their approach for Agentic AI adoption. The representative sample was spread across five key industries that has the propensity to adopt Agentic AI.

### Countries

**70** KSA

**70** UAE

**86** Other GCC countries

### Industries

**23%** Financial services

**22%** Retail

**21%** Energy

**19%** Media & entertainment

**15%** Government

The surveys were complemented by 10 in-depth interviews of senior IT leader of organizations across the key countries in region and secondary research about Agentic AI adoption seen in the region.

# **AI Agents Explained:**
# What do You Need to Know?

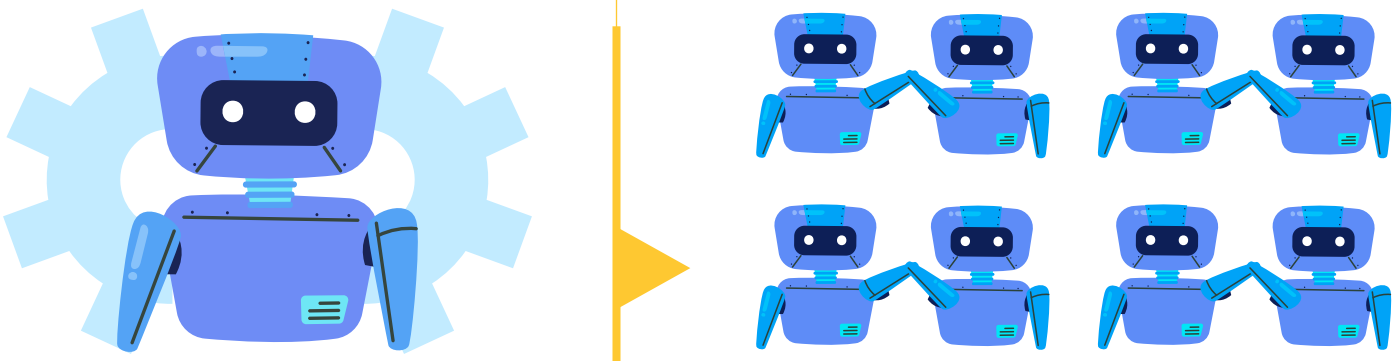
In late 2022 and early 2023, Generative AI captured global attention when OpenAI introduced ChatGPT. This breakthrough technology enabled users worldwide to interact with conversational AI assistants, generating extensive text documents, images, and videos with remarkable ease. However, within a year, the emergence of AI agents marked the next evolutionary leap in AI. Unlike their predecessors, AI agents are capable of autonomously completing tasks, making decisions, and taking actions—all while maintaining a "Human in the Loop" approach to ensure oversight and accountability.

This shift in AI integration represents a profound transformation, embedding AI as a central component of operations and service delivery rather than a supplementary tool. As AI systems take on more fundamental roles, autonomous decision-making is becoming increasingly common. These systems are now equipped to handle routine administrative tasks and make decisions within predefined policy frameworks, requiring minimal human intervention. Human oversight, however, remains essential for addressing complex, unprecedented, or ethically sensitive situations that demand nuanced judgment. Far from diminishing the importance of human involvement, Agentic AI introduces new responsibilities, such as defining strategic priorities, interpreting AI-driven insights, ensuring adherence to ethical standards, and maintaining the flexibility to intervene in morally complex or exceptional scenarios.

AI agents are the large language model (LLM)-powered autonomous software entities that perceive their environment, reason, make decisions, act upon them, and interact with users or other systems in a manner like a human, according to IDC. An AI agent is the building block for an agentic AI system where multiple AI agents collaborate, learn from each other, make decisions, and take actions. AI agents go beyond traditional AI assistants that simply respond to prompts.

IDC defines Agentic AI software as those systems that use machine learning and deep learning techniques to exhibit agency — set goals, make decisions, and take actions through the perception-reasoning-action loop.

**Figure 1: Agentic AI versus AI Agent**



**AI Agent is the building block**

Software entity capable of handling specific tasks independently

**Agentic AI is the system**

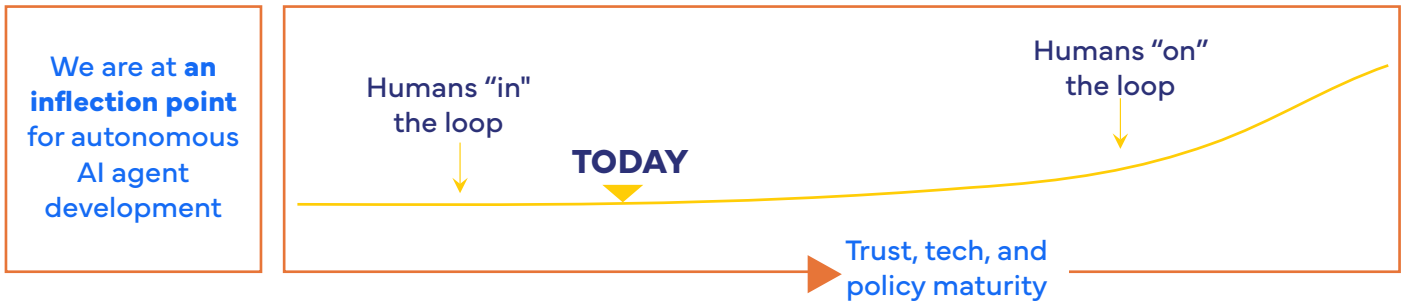
Multiple agents collaborate, learn from each other and make decisions and take actions in the broader context

*Source: Agentic AI Impact on Enterprises: From the Tech Stack to the Future of Work and Services (IDC #US53272524, April 2025*

AI agents are expected to significantly automate and accelerate the actions needed to be taken to performs certain tasks across business processes and workflows since the Agent-to-Agent communication will ensure exchange of relevant and accurate information in real time without errors, misinterpretation of instructions or fatigue – traits typically associated with humans.

IDC expects that the recent AI wave that accelerated the adoption of AI assistants will mature into a state where a fleet of AI agents will be seen performing numerous tasks that require multiple autonomous decisions. Humans may not be "in the loop" all the time, however they will be "on the loop".

**Figure 2: From AI Assistants to a Fleet of AI Agents: The Future Is Revolutionary**




| | AI Copilots / AI Assistants | Autonomous AI Agents | AI Agent Fleets |
|---|---|---|---|
| TRUST | • AI provides recommendations for decision-making | • Humans are "operators, supervisors, and architects" | • Shares decision-making duties and capabilities |
| TECH | • Experimental agent frameworks | • Productization of AgentOps tech stack | • Virtual workforces of "AI" agents and marketplaces |
| POLICY | • Responsible AI by design | • Policy formalization and embedment | • Productionized monitoring — "AI immune systems" |

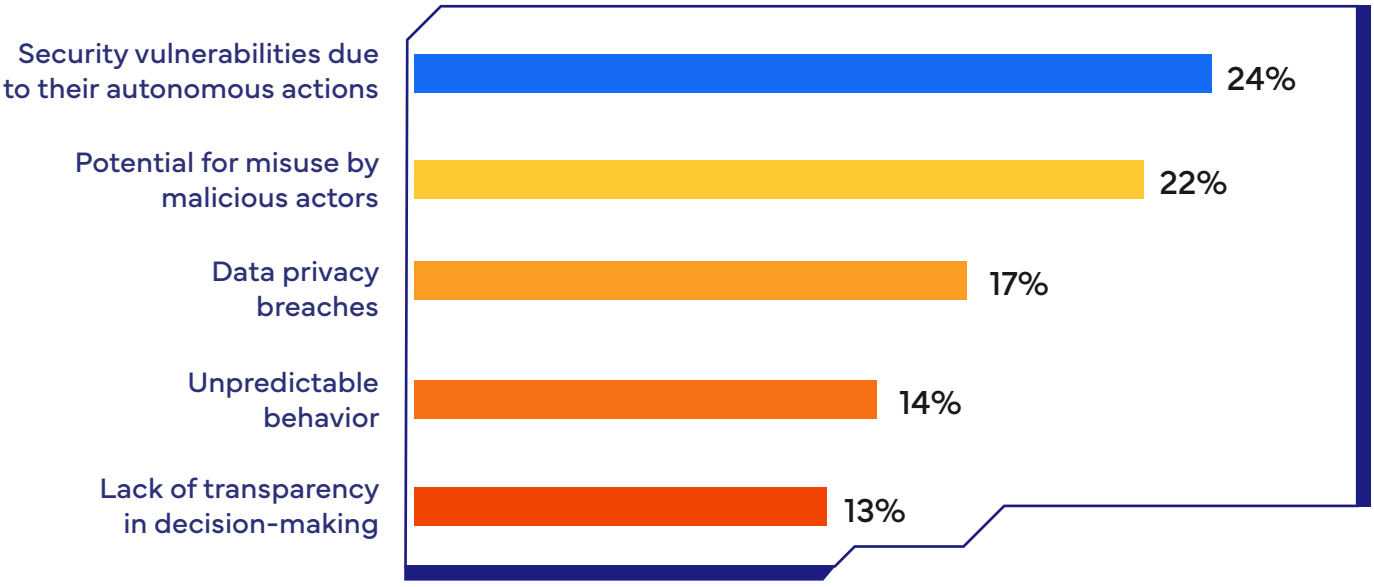
*Source: IDC, 2025*

While organizations across the world have started exploring AI agents and building their enterprise architecture that can accommodate and support AI agents, it is important to understand the risks associated with the adoption of AI agents. IDC has recently conducted global research to assess the perception of the risks associated with AI agents.

The following chart highlights key risks with AI Agent adoption in the UAE and Saudi Arabia.

## Figure 3: Risks/Concerns Related to the Adoption of Agentic AI

Q: Which of the following is the biggest business risk/concern related to the adoption of Agentic AI at your organization?




*Source: IDC AI Tech Buyer Survey 2025: Agentic AI in Saudi Arabia and UAE (July 2025).*

Organizations in the GCC must adopt a deliberate and comprehensive approach to mitigate the risks outlined in the above chart. The study highlights that AI agents, if not properly managed, can introduce new security vulnerabilities and heighten exposure to external threats. Autonomous actions by AI agents may attract malicious actors seeking to impersonate them, potentially executing unauthorized tasks. Furthermore, these agents could manipulate human workers or other AI systems, creating additional layers of risk. Without clearly defined and controlled access to data, AI agents could significantly compromise data privacy, leading to severe consequences.

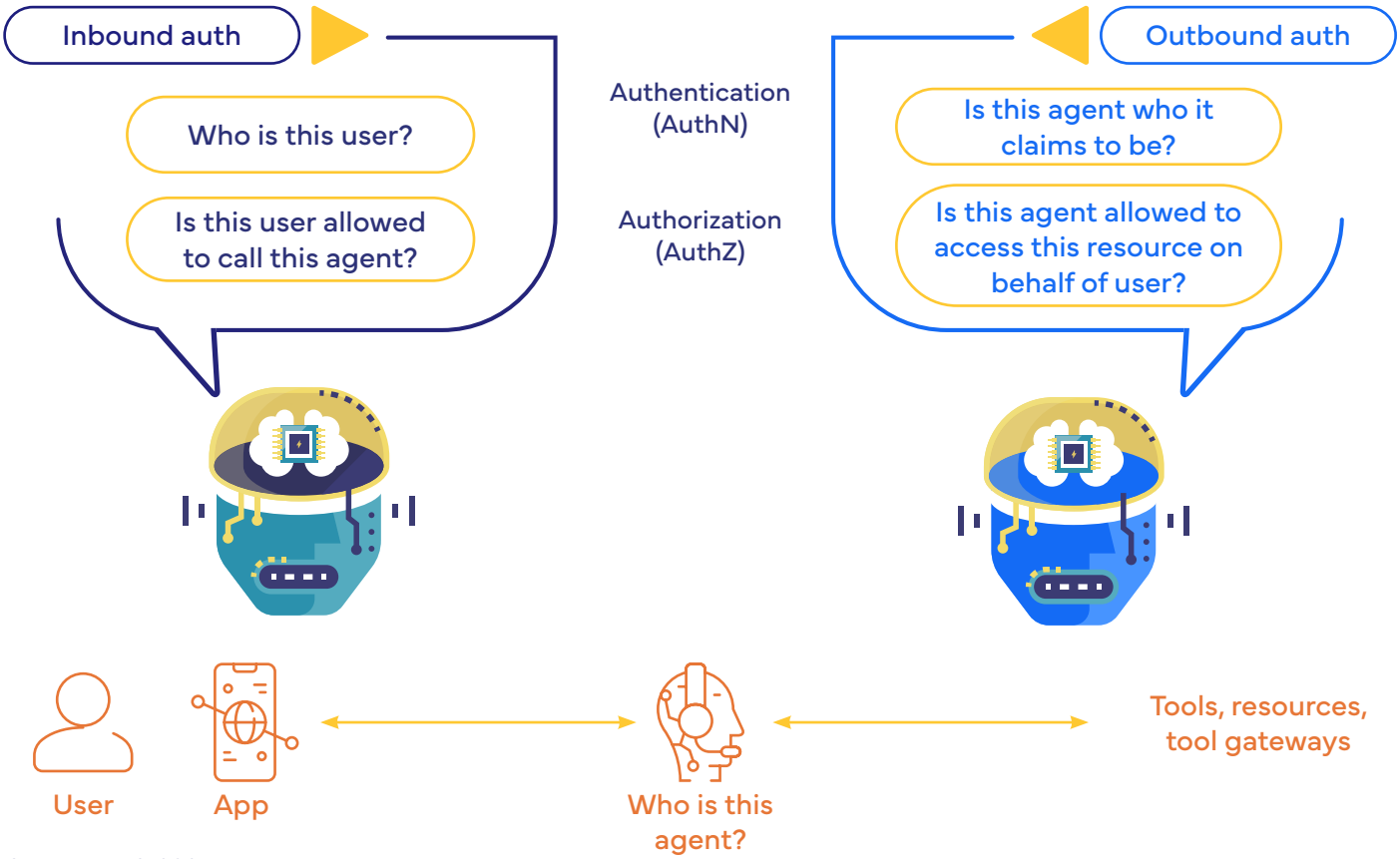
To address these challenges, organizations must treat digital workers—such as AI assistants and AI agents—as integral members of their workforce. This involves explicitly defining their roles, responsibilities, and limitations. Unrestricted access to sensitive data can result in catastrophic outcomes, including damage to a company's reputation, credibility, and financial stability.

As organizations deploy AI agents into production environments, they encounter a critical challenge: securely managing identity and access at scale. Applications must authenticate users before invoking AI agents, while the agents themselves require access to multiple tools and services, the ability to maintain audit trails, and seamless integration with existing enterprise identity systems. These processes must be executed without risking data leakage or violating compliance requirements. The complexity of these tasks increases exponentially when AI agents operate across diverse systems, act on behalf of multiple users, and access resources, tools, and external third-party services.

## Agentic AI security at scale

Building secure AI agents for enterprise deployment presents unique identity and access management challenges that traditional application security models weren't designed to handle. The following diagram illustrates the areas where access control through authentication and authorization is required in a typical agentic workflow.

**Figure 4: Illustration of an AI Agents**




*Source: AWS, 2025*

IDC recommends organizations in the GCC region need to either have internal capabilities to assess and address the above-mentioned risk proactively as they embark on their journeys to adopt AI agents or hire an expert organization that can extensively assess the organization's current IT landscape, recommend an AI Agent adoption roadmap and participate in the adoption journey. Typically, a centralized capability for managing agent identities, securing credentials, and supporting seamless integration with third-party services, tools and APIs is a pre-requisite for a scalable Agentic Ai implementation.

## Definitions:

**Assistants**
— Applications That Support Specific Tasks

- **Description:**
  Assistants that provide productivity gains for organizations by helping individuals complete work or other transactions more quickly and consistently (Assistants work reactively and cooperatively with humans in response to user requests, automating rote tasks such as answering simple FAQs, updating billing information, or summarizing meeting notes and follow-up items.)

**Agents**
— Applications That Act Autonomously

- **Description:**
  Agents that move organizations toward integrated and/or autonomous work practices (Agents are LLM-powered autonomous software entities that perceive their environment, make decisions, act upon them, and interact with users or other systems in a human-like manner).

*Source: https://my.idc.com/getdoc.jsp?containerId=US52596824&pageType=PRINTFRIENDLY#US52596824-E-0004*

# Where to apply Agentic AI first?

While the potential of Agentic AI is broad, the key is to choose focus areas where friction is high, workflows cut across multiple systems and outcomes are well-defined. In the banking sector, for instance, agentic AI is for KYC workflows, document verifications, compliance error checking and accelerating customer activation. In the Government sector, especially in the UAE, there is a focus to migrate from digitization to AI nativity to provide sentient governance, where SLA fulfillments can be coordinated by agents across departments.

## Agentic AI implementations in Retail, Financial Services, Government, and Telecom

### Retail and Consumer Goods

| | |
|---|---|
| **Agentic shopping assistants** | AI agents can boost sales by personalizing recommendations through intelligent conversation and customer history analysis. These agents can streamline purchases using chain-of-thought reasoning to guide product selection and execute transactions, while reducing returns by providing accurate, multi-step product guidance. |
| **Inventory rebalancing** | AI agents can enable autonomous inventory adjustments based on real-time conditions and coordinate decisions across demand, supply, and logistics agents. |
| **Pricing agents** | AI agents can forecast market demand to ensure prices will align with market expectations. |

### Financial Services

| | |
|---|---|
| **Investment research assistant** | AI agents can generate comprehensive market insights through natural language queries and create detailed financial visualizations in minutes. These agents can also proactively identify market opportunities by combining insights from different data sources and analytical approaches, enabling analysts to reduce research time and focus on higher-value strategic work. |
| **Insurance underwriting optimization** | AI agents can significantly accelerate underwriting speed through data-driven decisions while ensuring fair and consistent outcomes with explainable AI. These agents can also automate risk assessments, maximize audit efficiency and reducing costs, enabling underwriters to focus on more complex cases. |
| **Intelligent customer experience** | AI agents can deliver personalized 24/7 customer support and increase first-contact resolutions through AI-powered analysis and suggestions. These AI agents enable secure AI experimentation for continuous service improvement, helping institutions save thousands of team member hours while improving self-service or first-call resolution rates. |
| **Multi-agent financial market intelligence** | Specialized AI agents can analyze multiple dimensions of financial markets, with each agent focusing on specific data types or analytical approaches. These coordinated agents can identify emerging market trends and risks by correlating insights across agents, delivering comprehensive market intelligence with built-in accuracy validation. |

## Telecom

| | |
|---|---|
| **Customer experience** | AI agents can better understand customer intent with high precision, independently navigate complex documentation, and provide personalized solutions without human intervention. These agents can predict caller intent, automatically route to the right solution, and suggest next best actions, improving efficiency while reducing operational costs and customer churn. |
| **Network automation** | AI agents can take autonomous actions to transform network operations - continuously monitoring performance, detecting anomalies, and performing root cause analysis without human intervention. |

## Central/Federal Government

| | |
|---|---|
| **Regulatory Compliance Automation** | Agentic AI systems can monitor new legislation, autonomously generate compliance documentation, and maintain immutable audit trails. These agents reduce manual workload while ensuring transparency, reducing risk, and supporting real-time reporting across ministries, departments, and public institutions. |
| **Cross-Agency Service Orchestration** | AI agents can act as inter-agency coordinators—automating workflows that span ministries (e.g., health, education, labor) and resolving service requests holistically. For example, when a citizen applies for unemployment support, agents can verify employment history, determine benefits eligibility, and coordinate enrollment without requiring the user to navigate multiple systems or fill out redundant forms. |
| **Legacy System Augmentation & Modernization** | Agentic AI can serve as an intelligent abstraction layer over government's legacy systems—enabling secure, low-risk modernization through AI-powered interfaces. These agents can extract structured data from outdated formats, validate entries across systems, and serve as intelligent APIs that connect traditional infrastructure to modern citizen-facing services. |

## State or Local Governments

| | |
|---|---|
| **AI-Powered Permit & Licensing Assistant** | AI agents can guide residents and businesses through permit and licensing processes, answering eligibility questions, flagging incomplete applications, and submitting documentation on behalf of users. This reduces backlogs, minimizes errors, and improves constituent satisfaction through 24/7 service. |
| **Crisis Management & Emergency Coordination** | During natural disasters or public health crises, AI agents can autonomously synthesize incoming data (weather, 911 calls, traffic, hospital capacity), recommend resource allocations, and generate updates for first responders and the public. These agents help local governments respond faster with better-informed decisions. |

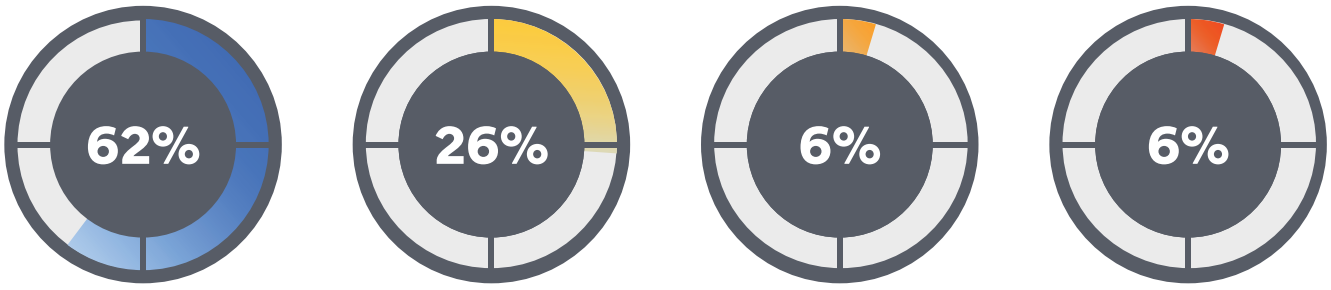
Many organizations worldwide are beginning to realize the transformative benefits of AI agents. A notable example is a leading global mortgage provider in the USA that has harnessed Agentic AI to deliver hyper-personalized lending at scale. As part of IDC's research, the AWS team shared insights into how this lender achieved remarkable results, including a 50% improvement in productivity and a 65% increase in personalization accuracy. By leveraging AWS Bedrock, the company analyzed over 10 petabytes of financial data to provide customers with real-time, personalized mortgage recommendations and financial guidance. This innovative approach eliminated the need for lengthy back-and-forth conversations between customers and sales representatives, streamlining the decision-making process and enhancing customer experience.

# The Trajectory of AI Agents' Impact on Business

Artificial Intelligence has been instrumental in helping organizations achieve significant advancements across various domains. In this study, IDC explored the impact of AI agents on organizations' strategic business objectives and the key metrics used to evaluate their performance. During an in-depth interview, the Chief Information Officer (CIO) of a leading business conglomerate in the Middle East shared insights into how AI agents have enabled them to unlock substantial operational efficiencies within their business processes. Additionally, the CIO highlighted the positive influence of AI agents on revenue growth and their Net Promoter Score (NPS), a critical metric for measuring customer satisfaction with their services

## Figure 5: Expected Top Line Growth with the Use of AI Agents

Q: What level of Return on Investment (ROI) would you expect from early Agentic AI investments?
*Top Line Growth*




*Source: AWS and e& Custom Survey August 2025: MEA Agentic AI Survey*

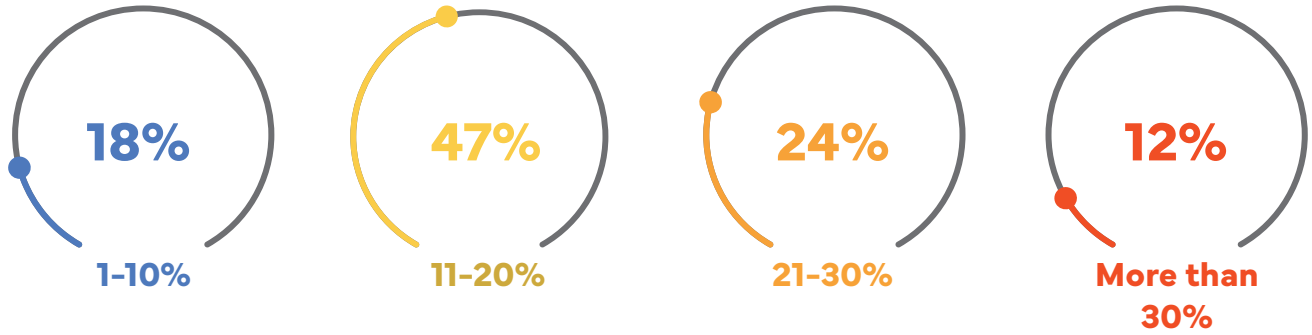
*Organizations in the Gulf are in their early stages of the adoption of AI agents, and they don't seem to be expecting disruptive top-line growth.*

*Top-line growth is influenced by a combination of internal and external factors. While AI agents can provide indirect support, their impact on driving significant growth appears to be limited, according to this study.*

Unlike top-line growth, respondents to IDC's research were quite optimistic about the impact of AI agents on cost reduction.

## Figure 6: Expected Cost Reduction with the Use of AI Agents

Q: What level of Return on Investment (ROI) would you expect from early Agentic AI investments?
*Cost Reduction*




*Source: AWS and e& Custom Survey August 2025: MEA Agentic AI Survey*

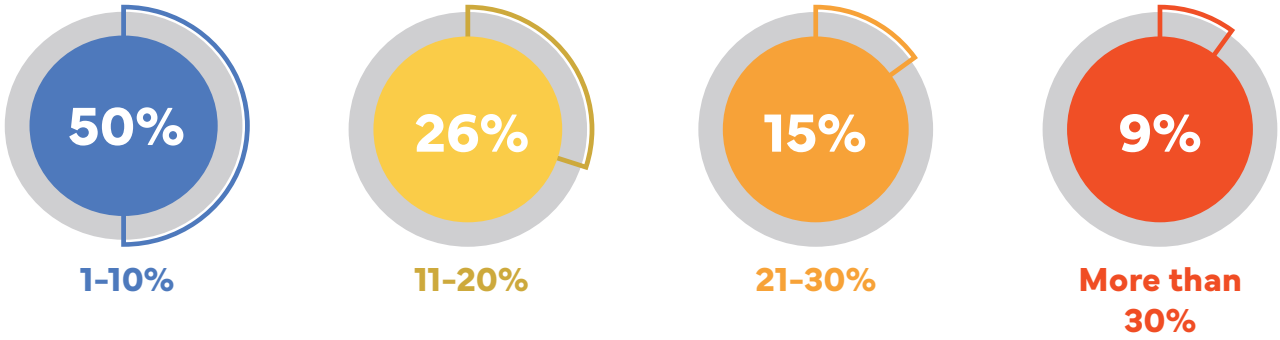
*Expectations regarding cost reduction through the use of AI agents are notably high.*

*Organizations in the Gulf region are predominantly focusing on leveraging AI agents to eliminate inefficiencies within their business processes, which are contributing to elevated costs.*

A leading bank in the Middle East is streamlining customer onboarding by simplifying the Know Your Customer (KYC) process. Customers can now upload their documents via the bank's mobile app, where an AI Agent autonomously verifies the submissions, requiring human intervention only for exceptional cases. The bank's Chief Information Officer (CIO) shared with IDC that this innovation has reduced the KYC processing time from two days to less than four hours.

## Figure 7: Expected Employee Productivity Gains with the Use of AI Agents

Q: What level of Return on Investment (ROI) would you expect from early Agentic AI investments?
*Employee Productivity*




*Source: AWS and e& Custom Survey August 2025: MEA Agentic AI Survey*

*Most organizations recognize the transformative potential of AI agents in enhancing employee productivity, as highlighted in this research.*

*However, the extent of this impact varies significantly, depending on the organization's level of process maturity and technology adoption. The research indicates that organizations with higher maturity levels are likely to experience a greater boost in employee productivity.*

In addition to the financial benefits and employee productivity, organizations in the Gulf region anticipate that AI agents will help them enhance their decision-making, innovation, compliance and risk management.

IDC had asked them what business benefits they intend to realize by using AI agents. The results reveal another interesting insight. AI agents are seen to be delivering the benefits that Digital Transformation initiatives were supposed to deliver a few years ago.

### **Figure 8:** Benefits Expected from Agentic AI technologies

Q: What primary benefits does your organization hope to realize or have started realizing from adopting Agentic AI technologies?

**64%**
Improved employee productivity by reducing manual or repetitive work

**47%**
Greater agility in responding to dynamic market or customer needs

**46%**
Increased operational efficiency

**46%**
Cost reduction across workflows or service delivery

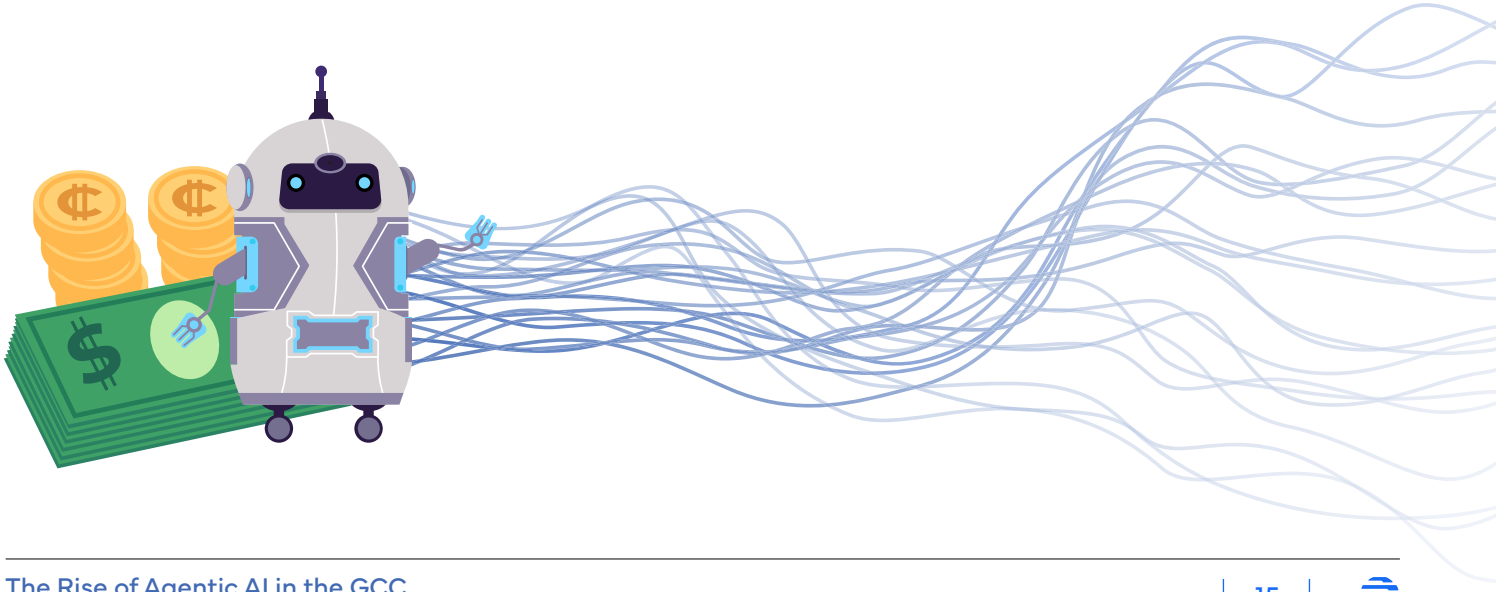
**43%**
Compliance or risk management improvements

**35%**
Innovation enablement through faster prototyping or experimentation

**31%**
Strengthened personalization in customer or stakeholder interactions

**27%**
Enhanced decision-making

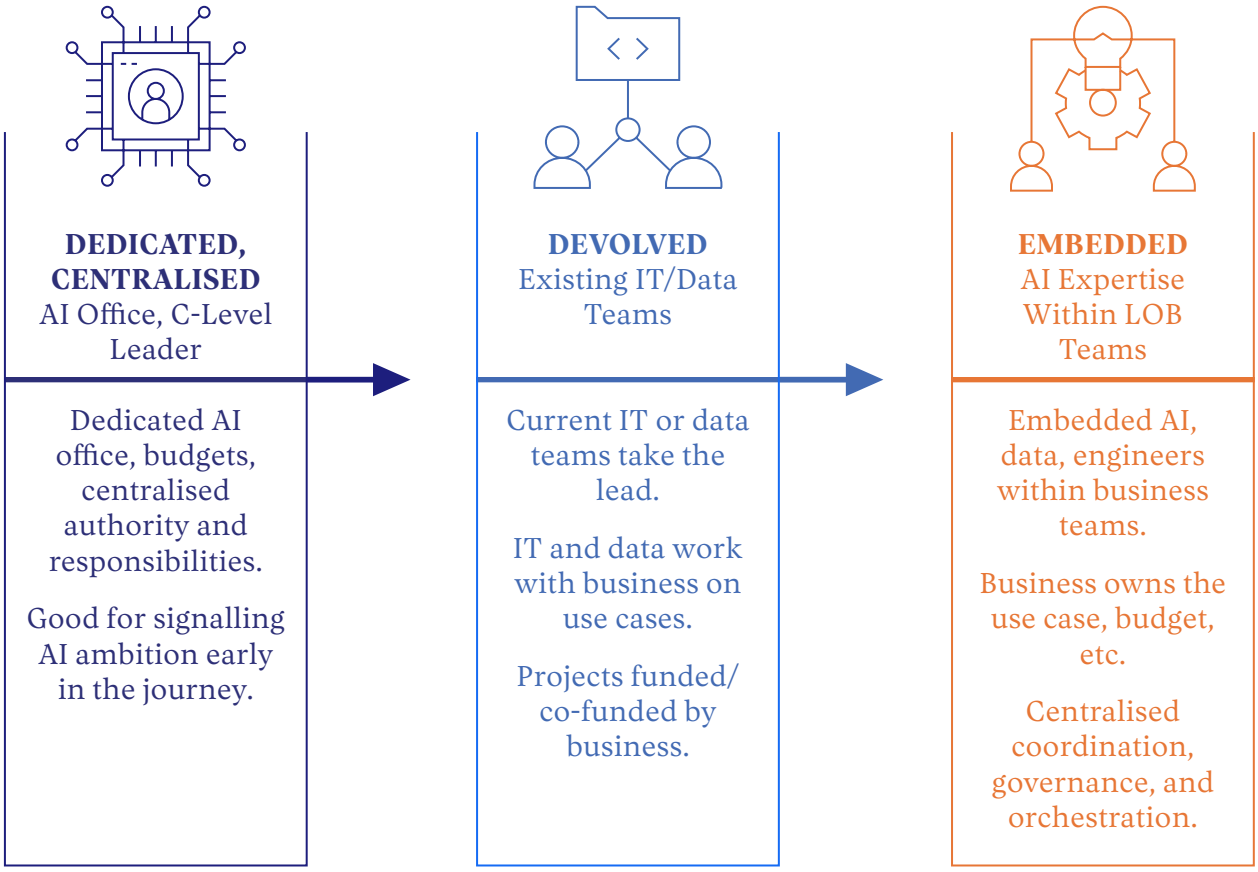
*Source: AWS and e& Custom Survey 2025: MEA Agentic AI Survey*



# State of AI Strategies, Operating Models, and Decision-Making Processes

An organization's AI strategy is heavily influenced by its digital maturity, data management maturity, and process maturity. Regardless of how ambitious the leadership's vision may be, the strategy remains theoretical unless the business processes, organizational data, and enterprise IT systems are adequately prepared to execute it. IDC's recent study of organizations in the Gulf region reveals that most have established AI strategies. While some organizations have adopted unified strategies that span across functions and lines of business, others are pursuing function-specific AI strategies tailored to individual departments.

**Figure 9: AI Leadership Approaches and Operating Models**




*Source: IDC, 2025*

IDC's research on organizations in the Gulf region reveals that 66% operate under a Devolved Operating Model, where IT teams lead AI initiatives while Lines of Business sponsor them. A country-specific analysis shows that organizations in the UAE, Saudi Arabia, and other Gulf countries predominantly have their IT departments driving AI initiatives, with support from business units. However, an industry-specific analysis indicates that approximately 54% of government organizations across the region are shifting towards a "Dedicated or Centralized" operating model. This transition is a positive development, largely driven by government-led efforts to accelerate AI adoption for enhancing citizen services, investor experiences, and interactions with tourists and other stakeholders involved in government processes.

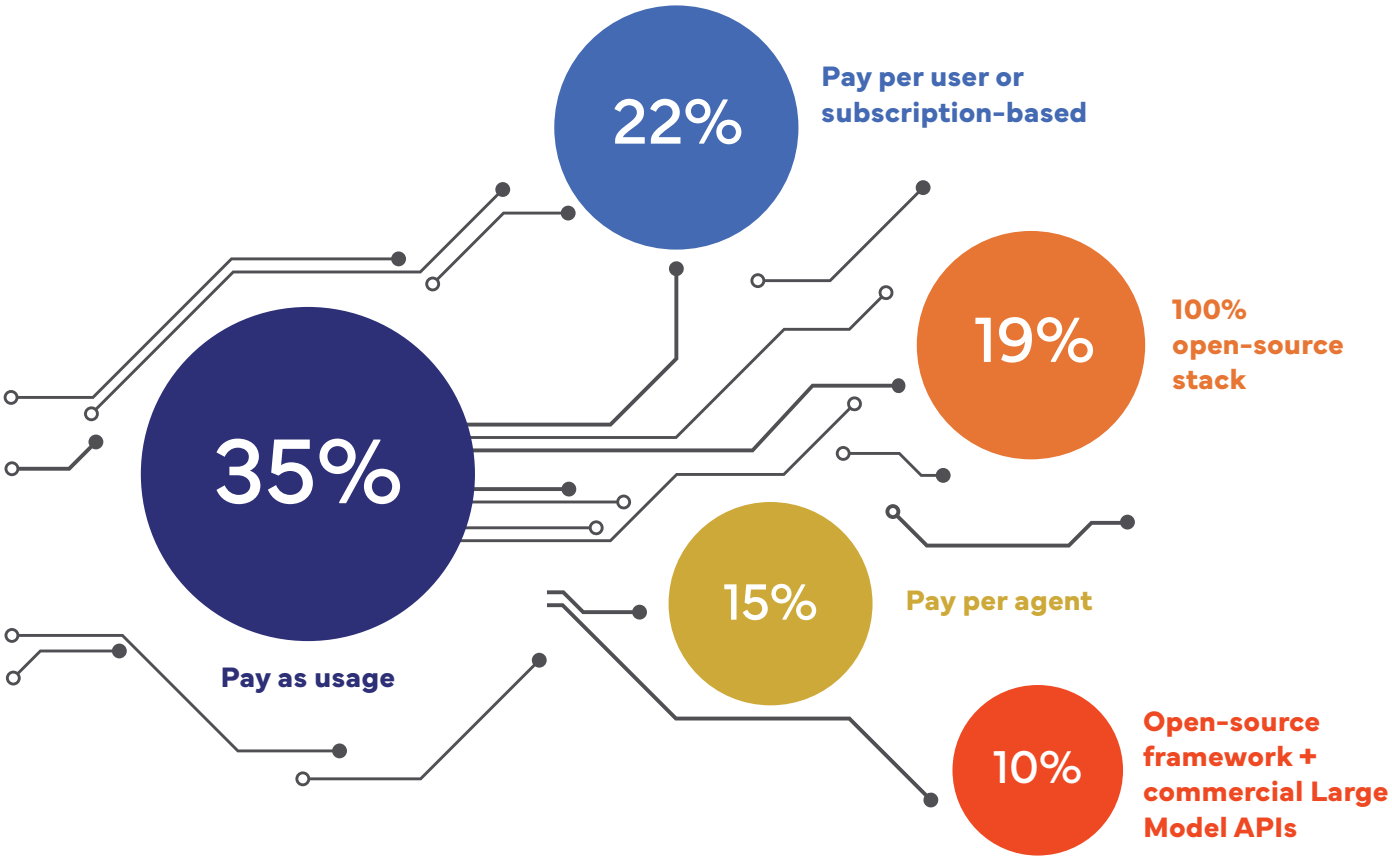
In terms of adopting an "Embedded" operating model—where Lines of Business own and drive AI use-case adoption while IT departments play a supporting role—the UAE leads with 44% of organizations, slightly ahead of Saudi Arabia (35%) and other Gulf countries (34%).

## Pricing Models

The following chart explains how organizations in the Gulf region prefer to pay for Agentic AI solutions.

### Figure 10: Preferred Pricing Models for Agentic AI Solutions

Q: Which of the following pricing models would you prefer for Agentic AI solutions?




*Source: AWS and e& Custom Survey August 2025: MEA Agentic AI Survey*

The choice of payment models offers valuable insights into organizational preferences across the GCC region. Firstly, many organizations favour a pay-as-you-go model, reflecting uncertainty about their usage patterns and potential cost implications. This model has already proven successful for other technologies, such as cloud computing. Secondly, there is growing awareness among organizations in Saudi Arabia about open-source solutions and Agentic AI offerings built on open-source stacks.

When it comes to specific payment preferences, retail organizations show a strong inclination toward pay-per-user or subscription-based models, with 32% favouring this approach. In contrast, the finance sector demonstrates the lowest adoption of this model, at just 12%. Although only 15% of organizations prefer a pay-per-agent model, it remains a viable option for single AI-Agent use cases, where vendors charge for the deployment and ongoing support of an AI Agent within a customer's environment.

### Key findings:

**33%** of organizations in the UAE are likely to pay as per usage as compared to Saudi Arabia's 27%.

**23%** of Saudi based organizations are inclined to opt for 100% open-source stack as against 11% in the UAE.

# Current Adoption Trends for AI: From Conventional AI to Agentic AI

Over the past decade, organizations in the GCC have actively accelerated AI adoption—often regardless of their initial readiness or maturity—as national ambitions and competitive market dynamics compel rapid business transformation. Reflecting this momentum, 83% of survey respondents reported they are already investing in AI technologies, underscoring the region's strong commitment to AI-driven growth.

As understanding of Generative AI's capabilities deepens, both technology and business leaders are extending their focus toward Agentic AI, experimenting with autonomous agents to capture higher-value use cases. This experimentation must be disciplined: organizations should design controlled pilots, measure outcomes rigorously, and responsibly scale only proven solutions. The current market trajectory reinforces the urgency of such a systematic approach, ensuring a clear transition from exploration to enterprise-wide adoption.

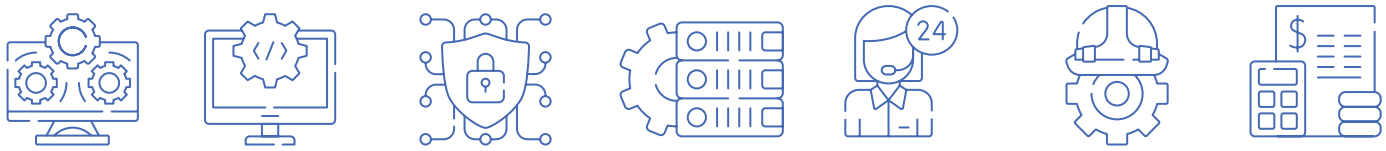
## Agentic AI Use Case Priorities by Business Functions

Organizations in the GCC have been infusing AI into multiple business functions and at the same time they are striving to achieve strategic maturity and operational readiness. Looking at the demand from different business functions, areas that directly impact operational efficiency, security, and technology innovation have been the driver of AI adoption. Accordingly, operational functions, software engineering, cybersecurity, and engineering/R&D functions show strong adoption and use of AI technologies, followed by customer service, which indicates the drive to deliver enhanced citizen and customer experiences (Figure 11).

### Figure 11: Current AI Usage by Functional Area in GCC Organizations

Q: In which of the following functions has your organization already started investing in AI?

**Top 7**




| 64% | 60% | 58% | 44% | 40% | 30% | 27% |
|---|---|---|---|---|---|---|
| IT Operations | IT - Software Engineering | Cybersecurity | IT - Data/ML Engineering | Customer Service | Engineering/ R&D | Finance |

**Bottom 7**

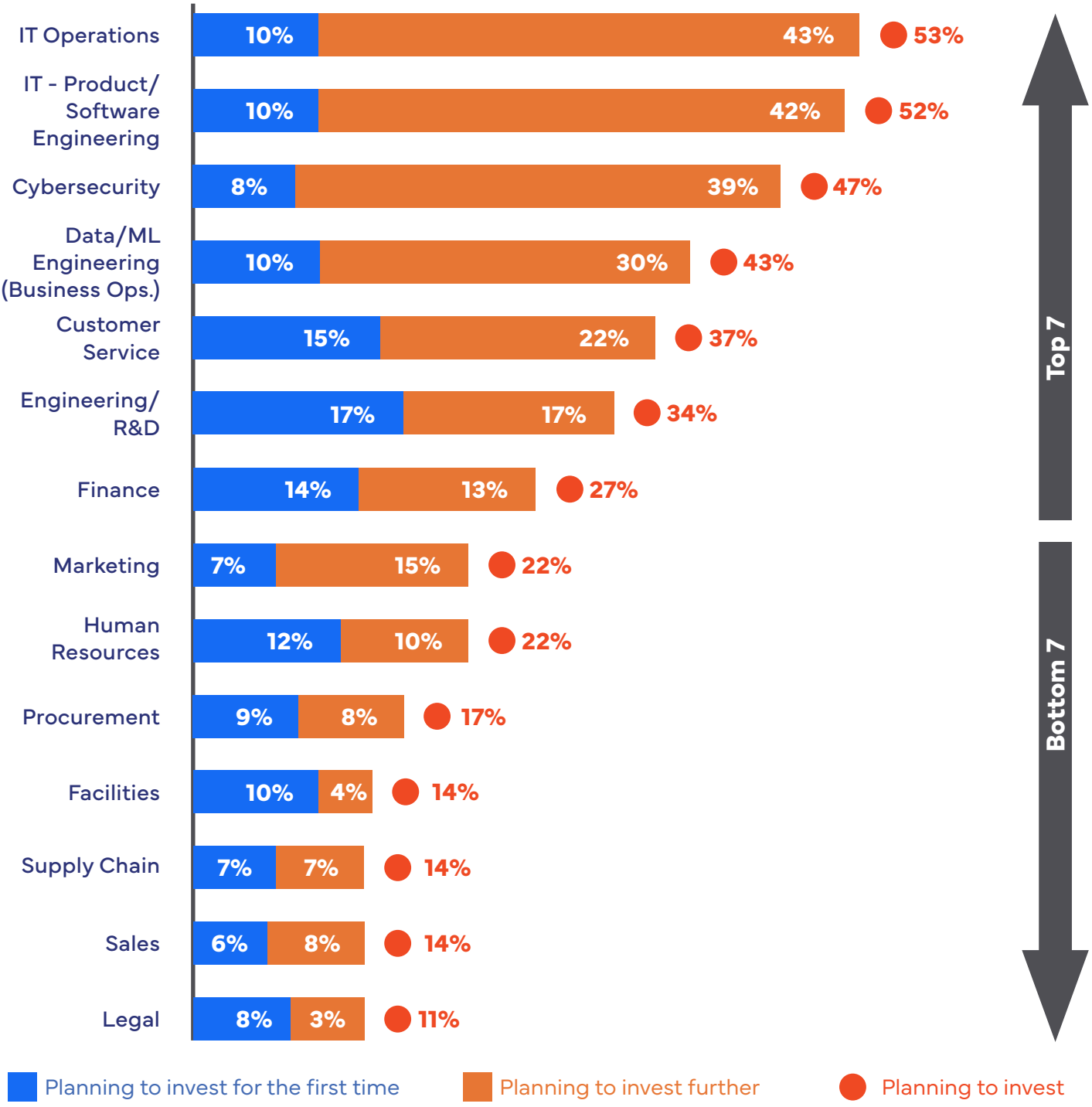

| 25% | 22% | 19% | 15% | 15% | 13% | 9% |
|---|---|---|---|---|---|---|
| Marketing | Human Resources | Sales | Facilities | Procurement | Supply Chain | Legal |

*Source: AWS and e& Custom Survey August 2025: MEA Agentic AI Survey*

To accelerate enterprise-wide value realization, organizations should expand AI investments to back-end functions such as HR, finance, and supply chain. However, the top nine functions planning AI investments are largely the same as those already investing (Figure 11 vs Figure 12), with most planned investments aimed at enhancing existing capabilities and only a smaller share directed toward first-time adoption. Among first-time adopters of AI, customer service as well as engineering and R&D functions show the highest level of interest, mainly driven with two fundamental market dynamics: delivering a more transformative citizen and customer experience and driving innovation with regional or global impact.

## Figure 12: Planned AI Usage by Functional Area in GCC Organizations

Q: In which of the following functions is your organization planning to enhance AI capabilities or invest in new AI for the first time, in the next 18 months?




*Source: AWS and e& Custom Survey August 2025: MEA Agentic AI Survey*

IT Operations, which include leveraging AIOps solutions, is expected to attract additional investments in the next 12 months as per the survey. This is understandable since IT organizations are seeing the benefits of AI-enabled Operations Management for incidents, service requests and other such activities they perform day to day. The adoption of AI across business functions remains slower, highlighting the need for organizations to deliberately empower their business teams to actively participate in the AI innovation journey. Key barriers to adoption include a shortage of tech-savvy personnel within business units, the lack of targeted enablement programs, and the absence of a robust governance framework to oversee tech-driven innovation across both business and technology teams. Addressing these gaps is essential to ensure ongoing value creation and align AI initiatives with strategic priorities.

Looking at Saudi Arabia, the UAE, and the other GCC countries (Oman, Qatar, Kuwait, Bahrain), across the region, IT Operations and IT Product/Software Engineering consistently emerge as the leading functions for AI adoption, reflecting a broad consensus on the foundational technology modernization. However, national approaches to AI investment diverge in ways that reflect broader transformation agendas. The UAE stands out with the highest adoption rates across most of the functions, exemplifying its emphasis on leveraging AI for innovation and differentiation. Functions such as Customer Service and Data/ML Engineering show distinctively higher uptake in the UAE, signaling a deliberate push toward customer-centric and data-driven transformation.

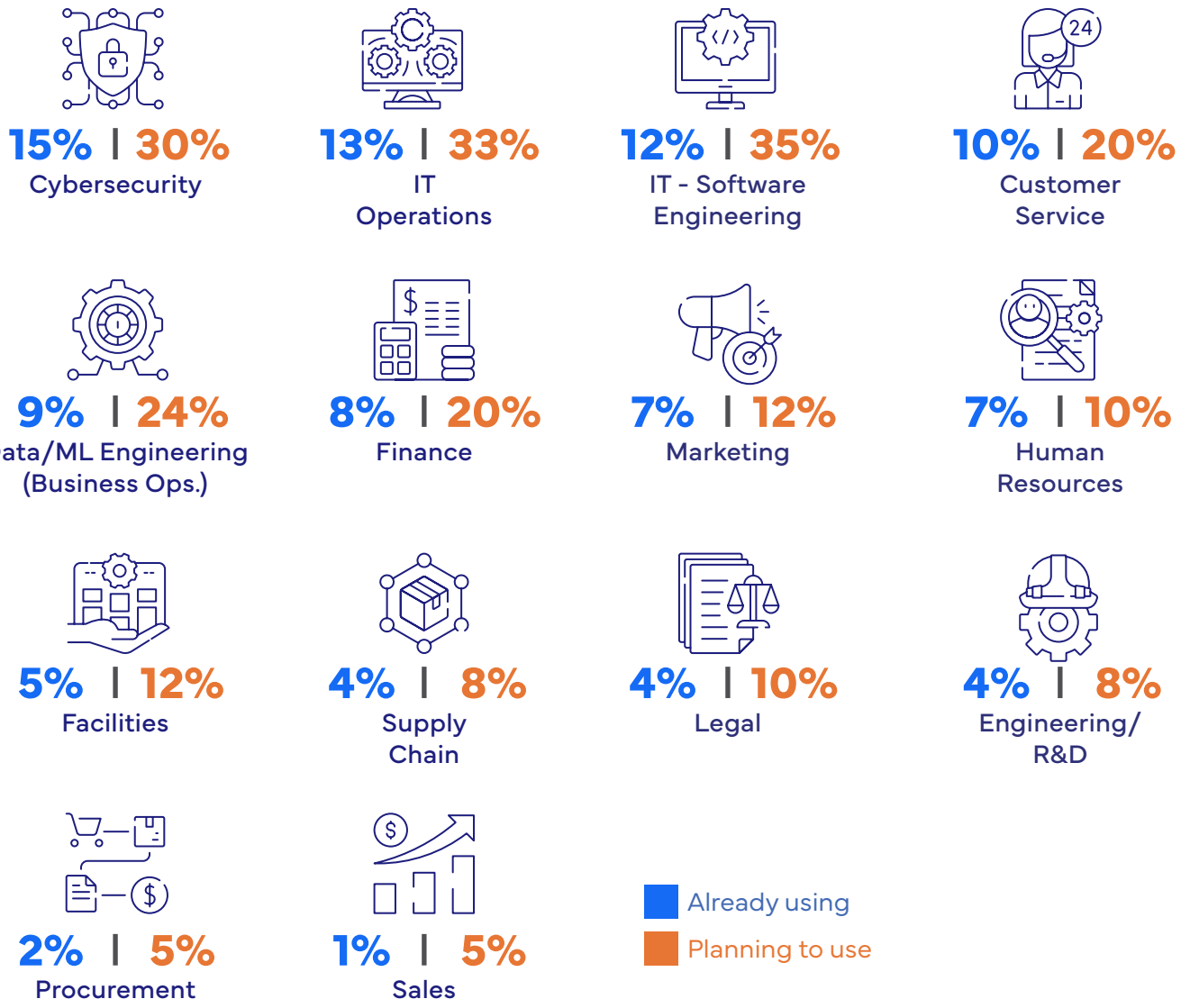
In contrast, Saudi Arabia's investment pattern suggests a focus on foundational technology upgrades. While also strong in AI investments in IT and cybersecurity, adoption trends across most functions are slightly lower than the UAE but higher than the OGCC cluster, indicating steady progression along a technology transformation path rather than leap directly to innovation-focused initiatives.

Other GCC countries (OGCC), including Qatar, Oman, Bahrain, and Kuwait, are broadly behind the UAE and Saudi Arabia in their Agentic AI journeys. Their comparatively lower AI adoption rates across all functions point to ongoing efforts to close the competitiveness gap—focusing on strengthening core technology infrastructure as a precursor to broader, transformational investments.

Figure 13 highlights the current and planned Agentic AI usage by functional area across the GCC organizations. The chart reveals that Cybersecurity and IT Operations, and Software Engineering will see accelerated adoption of Agentic AI usage followed by functions such as Customer Service and Business Operations where Data and ML Engineering will be extensively used in the back end.

**Figure 13: Current and Planned Agentic AI Usage by Functional Area in GCC Organizations**

Q: For these business functions you earlier mentioned you have already invested in or planning to invest in, which functions have you used AI agents or planning to use them for?




*Source: AWS and e& Custom Survey August 2025: MEA Agentic AI Survey*

Looking at industry trends, governments as well as state-owned entities across various industries (e.g., oil and gas, utilities, etc.) have been at the forefront of Agentic AI initiatives, with several central government and state-owned entities having recently completed the deployment of initial use cases or currently in the process of implementing them. This is primarily driven by the national AI strategies which trigger public sector to lead the business ecosystem by example.

Having said that, organizations across different vertical markets, despite being at different maturity levels, are all experimenting with agentic AI. Among these industries, financial services, who is among the early adopters of AI technologies, has been making strides in its agentic AI journey with a strong focus on the delivery of hyper personalized services and to improve the efficiency of their internal technology operations. Yet, as with any regulated industry, the financial services sector must exercise greater caution in deciding how to adopt agentic AI, given the stringent regulatory requirements it operates under.

Finally, while larger organizations currently lead in adopting agentic AI, digitally native small and mid-sized businesses are also actively experimenting with and implementing these technologies. Their more mature IT environments allow them to move quickly, positioning them as ideal candidates to generate and share best practices.

## Examples of AI Agent adoption in the GCC region

A few leading organizations in the Gulf region have started leveraging AI agents for various business processes. A few examples are mentioned below.

### Oil and Gas:

A leading Oil and Gas company in the Middle East is leveraging AI agents with upstream exploration and production optimization. The AI agents analyse complex seismic survey data, improving accuracy by 70% and providing insights to maximize output from existing wells.

### Financial Services:

Personalized wealth management: AI agents analyse client data, investment preferences (including Sharia-compliant options), and market trends to provide autonomous, tailored financial advice.

Multilingual customer service: With a diverse expatriate population, GCC banks use multilingual AI agents to offer services in Arabic, English, Urdu, and other languages. This enhances digital banking adoption and improves service accessibility.

### Government:

Citizen-centric platforms: The UAE utilizes AI in initiatives like the TAMM portal, where agentic AI can embed banking services to offer payment plans or assist with official transactions.

Urban planning: Agentic AI helps Dubai Municipality optimize urban development by using data from sensors and geospatial analytics for smarter resource allocation and greener building design.

### Healthcare:

In Saudi Arabia, AI is used to detect diabetic retinopathy. In the UAE, the Global AI Healthcare Academy trains professionals in AI skills for diagnostics and operations.

AI-driven drug discovery: The Abu Dhabi-based biotech firm Insilico Medicine used its AI platform to develop an AI-generated drug for a lung disease, which is currently in clinical trials.

### Real Estate:

Agentic AI solutions are being implemented to boost transparency in advertising governance (Dubai Land Department) and power mortgage chatbots for enhanced customer experience in home financing.

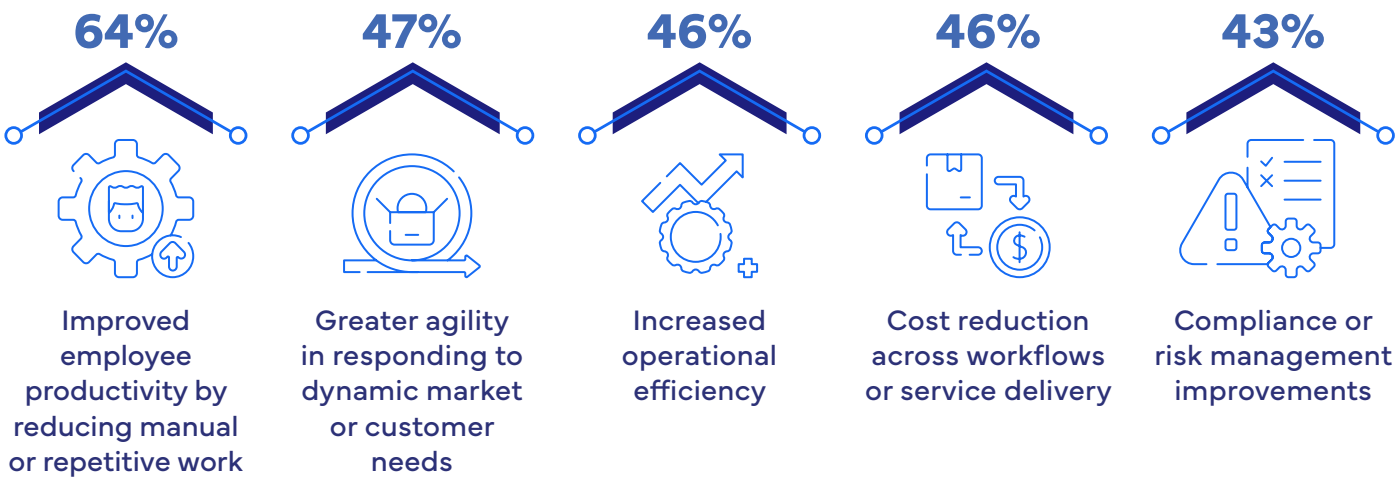
# Exploring Key Drivers and Challenges in the Agentic AI Journey

## Drivers

Most organizations in the GCC report measurable benefits from Agentic AI, reinforcing its role as a business—not just a technology—investment. Employee productivity gains are the most significant benefit, with 64% of organizations highlighting reductions in repetitive or manual work. Beyond efficiency, this creates internal champions who advocate for wider adoption across business units. As employees' bandwidth is freed by Agentic AI, organizations are investing in training programs that enhance skills and enable staff to take on more complex, value-driven tasks. *The survey reveals that among the key business benefits expected from an organization's investments in adopting AI agents is cost reduction.* Which means that these organizations will be judicious about the costs they might incur for their AI agents adoption.

### Figure 14: Benefits Realization with Agentic AI Investments

Q: What primary benefits does your organization hope to realize or started realizing from adopting Agentic AI technologies?




*Source: AWS and e& Custom Survey August 2025: MEA Agentic AI Survey*

Enterprises are also beginning to measure improvements in operational efficiency and service delivery cost optimization, with nearly half of organizations tracking departmental and enterprise-level impact. This, in turn, is enabling them to design more effective employee utilization and engagement strategies, maximizing workforce productivity and the overall value delivered to the business. Improving customer experience—especially in finance, retail, and the public sector—has long served as a core differentiation strategy to strengthen loyalty and wallet share. In the UAE (54%) and Saudi Arabia (48%), enterprises report greater agility in client servicing and faster responsiveness, directly translating into improved customer satisfaction as a key expected benefit of Agentic AI investments. This is particularly critical in the public sector, where 60% of government entities cite Agentic AI as key to improving citizen services and enhancing quality of life.

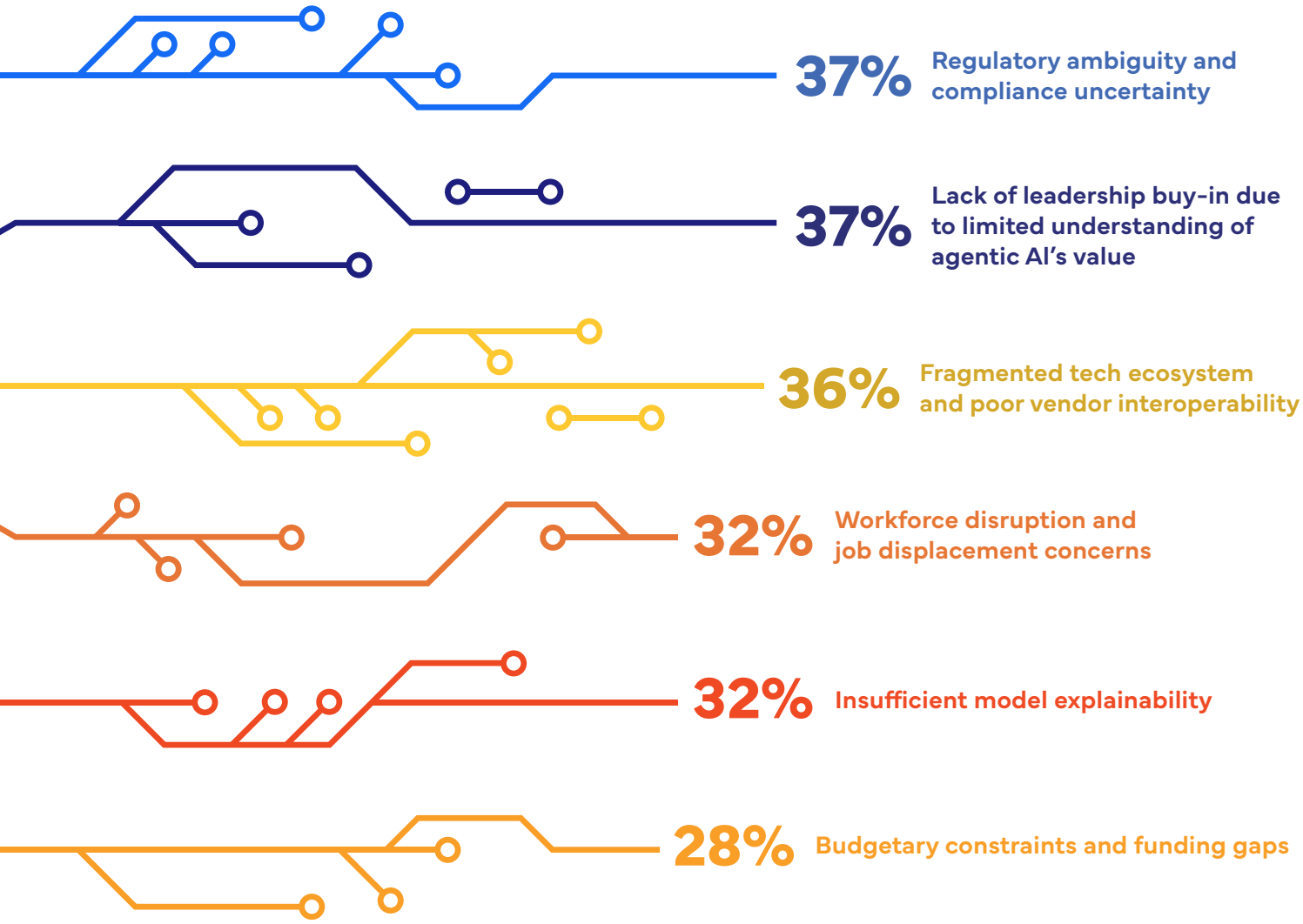
Agentic AI is also driving notable time-to-market gains in compliance and risk management—cited by 43% of organizations, especially in regulated sectors such as financial services, government, and media & entertainment. Automation accelerates compliance checks, risk assessments, and regulatory reporting, while human oversight remains central. Expert-led final reviews safeguard accuracy and trust, ensuring efficiency does not come at the expense of regulatory rigor.

## Challenges

Despite strong momentum, concerns around workforce disruption and job displacement remain significant, with 32% of organizations citing employee apprehension.

### Figure 15: Strategic Challenges Restraining Agentic AI Adoption in the GCC

Q: What are the top 3 strategic challenges that restrain you from adopting Agentic AI, or adopting more of it?




*Source: AWS and e& Custom Survey August 2025: MEA Agentic AI Survey*

Budget constraints are another barrier, with 28% of organizations struggling to secure additional funding. Leaders can overcome this by systematically measuring both financial and non-financial benefits—from operational savings to customer experience improvements, thereby strengthening business cases for continued investment.

Despite the GCC region's strong enthusiasm and investment, limited leadership buy-in is a reality for around 37% organizations. These are not merely technical hurdles but are deeply rooted in governance, culture, and market maturity often due to limited understanding of Agentic AI's business value affecting how organizations scale and derive value from Agentic AI. Other challenges such as strategic inertia and misaligned vision, operational and ecosystem barriers, and regulatory challenges are voiced by IT leaders during the interviews with IDC. A few CIOs mentioned that the organizational and cultural resistance are important hurdles, and their top management often refuses to acknowledge this resistance as a hurdle to their transformation.

## Comparative Analysis of Challenges: UAE, Saudi Arabia, and Other Gulf countries

A detailed comparative analysis of the challenges that the organizations in the UAE, Saudi Arabia and other Gulf countries about the adoption of AI agents reveals interesting trends. It is clear from the chart that organizations in the UAE and Saudi Arabia struggle almost at similar levels to convince their top management about the value AI agents can bring to their organizations. This is also validated by an in-depth interview with the CIO of a large multi-business group in the UAE. This group has diverse businesses ranging from passenger card trading & distribution, retail, real estate and construction to name a few. The CIO often struggles to explain the business benefits of AI agents to the board of directors that ultimately decides the group's strategy and budget for spending on new technology initiatives.

However, organizations in Saudi Arabia struggle more to secure budgets for the AI initiatives (42% as against the UAE's 24%). Saudi-based organizations also struggle to attract vendors and their partner ecosystem (45% in Saudi Arabia as against UAE's 37%).

The ambiguity about regulations and compliance is more pronounced in the UAE (41%) as compared to Saudi Arabia (30%) understandably because of the availability of numerous industry-specific regulations in Saudi Arabia as well as due to the recent introduction of PDPL.

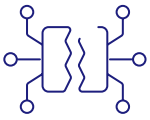
A deeper analysis demonstrates the maturity of the adoption of AI agents in the UAE is more than that of Saudi Arabia. In addition to this survey, the in-depth interviews of CIOs validate that it is quite possible that organizations in the UAE might have more experience of working with their respective regulators as compared to organizations in Saudi Arabia.

Other Gulf council countries (OGCC) such as Qatar, Kuwait, Bahrain, and Oman are also demonstrating emerging trends of AI Agent adoption. Lack of leadership buy-in due to limited understanding of Agentic AI's value tops for Other Gulf countries at 40% along with regulatory uncertainty (40%). Fragmented tech ecosystem (27%) does not appear to be a significant challenge yet for OGCC countries unlike UAE (37%) and Saudi Arabia (45%). This means, most of the OGCC-based companies are yet to reach maturity where they will face this challenge.

### Figure 16: Comparative Analysis of the challenges in AI Agent Adoption in the UAE and Saudi Arabia

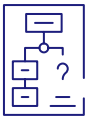
Q: What are the top 3 strategic and operational challenges that restrain you from adopting Agentic AI, or adopting more of it? Strategic challenges

**30% | 41%**
Regulatory ambiguity and compliance uncertainty

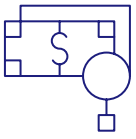


**45% | 37%**
Fragmented tech ecosystem and poor vendor interoperability

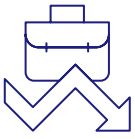
**34% | 36%**
Lack of leadership buy-in due to limited understanding of agentic AI's value



**34% | 34%**
Insufficient model explainability



**35% | 29%**
Workforce disruption and job displacement concerns



**42% | 24%**
Budgetary constraints and funding gaps

**14% | 13%**
Ethical and reputational risks

KSA

UAE

*Source: AWS and e& Custom Survey August 2025: MEA Agentic AI Survey*

# Driving Organizational Readiness for Agentic AI

Readiness for Agentic AI extends beyond technology; it encompasses the entire ecosystem, including organizations, technology vendors, their local partner networks, and the broader regulatory framework. Within organizations, readiness is built on two key pillars: the business imperative that drives adoption and the IT maturity necessary for effective deployment of Agentic AI solutions. This section delves into these essential ecosystem components, highlighting the developments that will influence successful and sustainable customer journeys with Agentic AI.

## Business Readiness

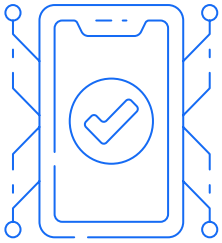
As with any business-critical initiative, senior stakeholder involvement is essential to ensure the effective deployment and scaling of Agentic AI solutions.

Currently, 66% of organizations are funding Agentic AI initiatives under broader IT project strategies. However, business leaders are increasingly repositioning AI as a strategic growth enabler rather than a technology upgrade. To fully realize this shift, organizations must strengthen their business readiness by mandating lines of businesses to get involved in the AI initiatives.

1. **Embed AI into Business Goals and Strategic KPIs.** The senior management needs to include AI into their Strategic KPIs. IDC's research reveals that AI agents can help organizations unlock employee productivity, drive agility, improve Customer satisfaction etc. However, unless it is part of the performance measurement metrics the results may not be in line with the leadership's expectations. Therefore, this needs to be part of the business goals and strategic KPIs that cascade through the organizational hierarchy.

2. **Involve Lines of Business:** CEOs and their direct reports need to encourage employees from Operations, Finance, Marketing, Sales, Manufacturing, Procurement, and other functions to get involved in the AI-Agent led transformation. The tribal knowledge that employees across functions bring in is priceless. Their involvement will shift the ownership from IT to Business, and it can possibly save the AI initiatives from failure.

3. **Train Employees on AI especially about Agentic AI:** Providing employees with necessary trainings is critical. One of the IT Leaders mentioned to IDC that employees are generally busy, and we need to block their calendars for mandatory security trainings. Even then many employees skip mandatory trainings. Many of them are overworked. It is hard to get them certified on online training, and even harder to send them to a training away from their workplace. Organizations run a great risk of dealing with employees with current skills, assuming that they will adopt AI once it hits their sphere of work.



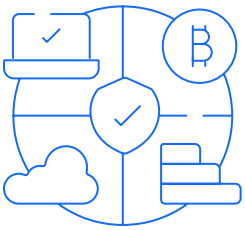
## Technology Readiness

1 **Drive Data readiness:** For most CIOs, the first concern around Agentic AI adoption is data readiness. A significant 45% of organizations believe they lack the necessary data maturity to drive AI or Agentic AI projects. Organizations need to look at the completeness of their data. Most organizations struggle with limited or moderate data lineage which means departments and functions have multiple versions of truth. This can affect the AI adoption and since AI agents often cut across functions, it is important that organizations provide the AI agents with the most recent, complete, and accurate data.

2 **Understand Cloud and Architectural complexity:** Cloud has emerged as a platform to start fast and scale fast. However, not considering the architecture and possible Cloud-costs while adopting AI agents can increase Cloud cost especially infrastructure cost. Organizations need to think of AI native architecture and not only Cloud-native. While Hybrid Architecture is a reality, it largely increases complexity. IDC's research reveals that 36% of GCC organizations cite complexity as a barrier to seamless Agentic AI deployment. Organizations may struggle to deploy AI agents or drive other AI projects if exchanging data between various deployment options (Cloud or on-prem) is complex and expensive. Having a team of experienced architects in-house or working with a credible partner can possibly help in addressing this concern. In fact, IT environment management itself is emerging as a promising application of Agentic AI, with some organizations piloting support agents to assist in post-implementation knowledge transfer, bug resolution, and system monitoring.

3 **Rapid Innovation can accelerate IT complexity:** Rapid technological evolution adds further complexity. 32% of organizations highlight model explainability as a growing challenge, compounded by the pace at which new models emerge. Internal IT teams often struggle to keep up, driving demand for flexible AI services partners who continuously refresh their expertise and help enterprises navigate evolving architectures, transparency requirements, and operational risks.

4 **Pursue Agent Orchestration and Governance:** The challenges extend to agent orchestration and governance. 40% of IT teams lack in-house expertise in agent design, while 28% struggle with scaling agent architectures. Additionally, 36% of organizations — rising to 44% in Saudi Arabia and 41% in the UAE — cite concerns around security risks across multi-agent interaction layers. Lifecycle governance further complicates readiness as highlighted by 27% of organizations. Many organizations rely on vendor-specific governance frameworks, which often fail to integrate across diverse AI models and solutions.



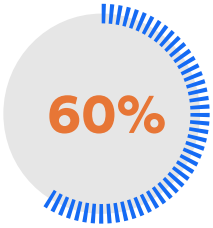
## Ecosystem Readiness

1 — Most organizations that IDC studied recently agree that they need to leverage various technology vendors and partners to meet their AI Agent adoption needs. In fact, 60% of GCC enterprises are already collaborating or planning to collaborate with consulting partners to identify, design, and deploy Agentic AI use cases. Similarly, nearly half (49%) are leveraging, or intend to leverage tools from major foundation model providers.

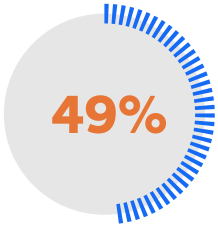
2 — Forward-looking organizations want to balance this reliance on proprietary tools with flexibility and openness. 41% are engaging AI services partners to develop open-source agent development frameworks, ensuring their IT environments remain adaptable for both off-the-shelf and custom-built use cases. This hybrid approach — combining vendor solutions with open, extensible frameworks — reflects a pragmatic strategy to future-proof investments and maximize long-term business value.

**Figure 17: Agentic AI Development Frameworks and Tools in Use/Planned**

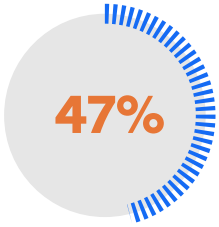
Q: Which of the following Agentic AI development frameworks/tools does your organization use/plan to build and deploy agentic applications?



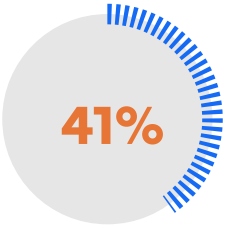

Agentic tools provided by consulting/IT service providers



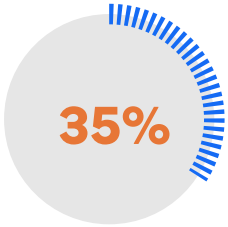

Agentic tools provided by the major foundation model providers



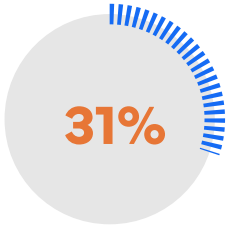

Agentic tools embedded in enterprise softwa re (SaaS)




Open-source agent development frameworks




Agentic tools provided by cloud service providers




Agent tools provided by AI-specialized HW vendors

*Source: AWS and e& Custom Survey August 2025: MEA Agentic AI Survey*

## Regulatory Readiness

AI regulation is becoming a decisive factor in shaping Agentic AI adoption across the GCC. Currently, 42% of organizations believe their markets have clear and defined data laws, giving them the confidence to move forward with Agentic AI deployments. Yet 32% remain cautious, holding back investments until explicit AI regulations are in place. Interestingly, the public sector is showing stronger confidence, with 57% of government organizations citing existing data laws as sufficient to support their adoption strategies. This growing regulatory assurance in government can serve as a blueprint for other sectors that remain hesitant.


Data sovereignty is another critical consideration, particularly in government and regulated industries. Many organizations are addressing this by deploying Agentic AI solutions on-premises or via in-country public cloud platforms. Some entities are even opting for custom-built solutions developed by local services firms, often in partnership with global technology vendors and regional specialists. This aligns with national priorities around in-country value creation and "made-in-country" technology investments.

In response, global AI vendors are increasingly localizing their offerings — making solutions available through regional cloud infrastructures and strengthening the capabilities of local AI services providers. This collaborative approach ensures organizations can pursue innovation while remaining compliant with evolving regulations. It also underscores the willingness of global and local players to work hand in hand with GCC enterprises to balance innovation, compliance, and risk management — safeguarding investments against both current and future regulatory shifts.

# Recipe for Success

Artificial Intelligence (AI) is now deeply integrated into a wide range of technology products and services. Given the rapid pace of technology adoption and AI-driven innovation, the way businesses operate is poised for significant transformation in the coming years. AI agents, with their controlled decision-making capabilities and autonomous actions, are expected to revolutionize business workflows, supercharging automation and making processes far more intelligent. This evolution will lead to highly efficient and intelligent interactions with customers, suppliers, and governments, surpassing current standards.

According to IDC's Worldwide *Artificial Intelligence IT Spending Market Forecast*, global spending on AI is projected to grow at a compound annual growth rate (CAGR) of 31.9% between 2025 and 2029. This surge in investment, fuelled by the adoption of Agentic AI-enabled applications and systems to manage agentic fleets, is expected to reach $1.3 trillion by 2029. *(Source: IDC, August 2025)*

Despite this promising outlook, not every enterprise will realize significant business benefits from AI agents. To maximize the potential of these technologies, organizations must address the challenges outlined in various sections of this white paper.

1. **Build a Realistic AI Adoption Strategy:** Organizations need to carefully and realistically assess where they stand today in their process maturity, data maturity, and overall digital maturity. A hard look at its data and broken processes will tell the truth. **AI use-cases can expose an organization's weak link, if not strengthened on time**. The weak link can be its data, processes, or its people. Large, transaction intensive and traditional organizations need to be extra cautious while driving Agentic AI. The cost of failure can be very high for large and traditional organizations.

2. **Pilot Smartly, Scale Deliberately:** Proof of Concept (PoC) or pilots can deliver desired business results since a PoC is often conducted in a controlled environment and it receives required data. Use cases that have multi-AI agents might require diverse data across functions and departments. In addition to data, they might have other system requirements. Once a PoC or a pilot project is successful, ensure the use-case is rolled out throughout the organization. Build a comprehensive repository of use cases and deploy relevant use cases in a structured way across the enterprise without losing momentum.

3. **Align Agentic AI with Business KPIs:** Just like unrealistic AI adoption strategy can derail the Agentic AI adoption, misalignment with business KPIs (management, operational, and functional KPIs) can create confusion. Agentic AI needs to contribute to the performance metrics that an organization uses to measure its business performance and its employees' performance.

4. **Drive Structured Change Management:** Socialize the transformation, its impact, and expectations from employees so that people contribute. When leaders do not communicate enough about a change, employees end up assuming and often resisting change.

5 **Build Trust Through Compliance and Governance:** The risks associated with the adoption of AI agents can erode a company's credibility and reputation in no time if not addressed well. Cyber Security and compliance with various regulations cannot be an afterthought. Security controls, which include role-based access to information, enterprise-wide risk management and governance, must go hand in hand.

6 **Address People's Concerns:** Your star employees might feel empowered with the adoption of AI agents. However, others might think they might lose their jobs. Organizations need people and AI cannot be a replacement for people. We need people to fix our broken business processes. People have knowledge about your customers' behavior. They know your suppliers well and this tribal knowledge cannot be captured 100% in workflows or business processes. We need people to try Agentic AI use-cases and ensure AI use-cases deliver the desired business results.

7 **Leverage technology partners smartly:** Since many new vendors and partners are emerging that claim to have built AI agents for functions such as Finance, Marketing, Human Resource and others, explore these options. Keep eyes and ears open to the recent developments in the field of Artificial Intelligence. Rely on existing trustworthy system integrators or AI orchestrators or aggregators to introduce the use-cases of the new vendors and partners to your IT estate. However, keep simplification at the core of your enterprise IT strategy. Your AI Strategy should not complicate your IT Strategy to an extent that it becomes overwhelming for you to manage.

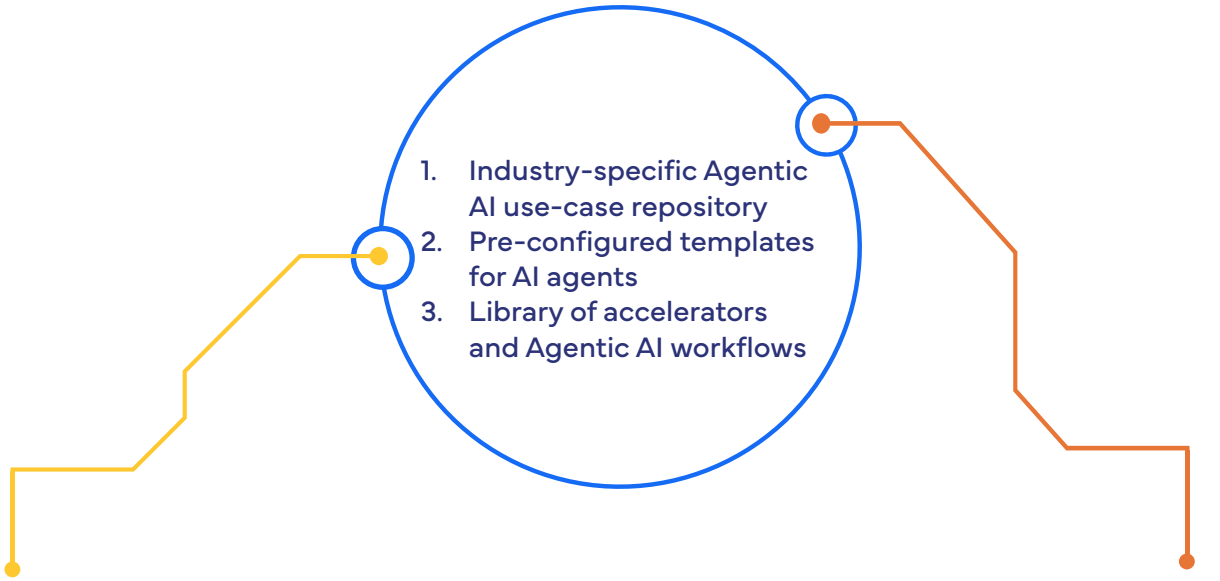
8 **Study Pricing Models and Pricing Strategies Carefully:** Judiciously assess the costs that you might incur as your consumption of cloud-based AI Infrastructure, Platform and SaaS goes up before embarking on an enterprise-wide Agentic AI journey. Clear cost visibility can contribute to your pricing strategies. A "guesstimate" can be a lot more expensive with time.

# AWS & e& Together to Create Greater Value for Agentic AI journeys

IDC was informed about the 2-way partnership between AWS and e& which is based on a long-term strategy to work together globally and to offer complementing capabilities with an aim to unlock full potential of Agentic AI for joint customers.

Together, the two companies plan to provide Agentic AI solutions that align with industry regulations, meeting the growing demand for secure and scalable AI solutions. With this partnership with AWS, e& aims to play a significant role as a key enabler of the UAE's digital economy, unlocking new growth opportunities for businesses of all sizes. In addition to the UAE, the partnership will be extended to the wider Gulf region as well.

**Figure 18: AWS and e& joint value proposition**




**AWS**

1. Deep R& D investments
2. Long-term AI innovation roadmap
3. Robust Infrastructure optimized for Agentic AI workloads
4. Industry-specific AI solutions
5. World-class products such as Amazon Bedrock, Amazon Q, and AgentCore

**e&**

1. Dubai AI Seal certified enterprise- Tier S
2. Digital Sovereignty certified AI solutions & delivery expertise
3. Deep understanding of the business needs in the Gulf region
4. Techno-functional competencies
5. Operational and Resource Flexibility

Agility – Achieve faster time to value

Cost Optimization – Pay as you use

Innovation – Pursue excellence continuously

*Source: IDC, 2025*

The partnership is designed to address both the immediate needs of organizations exploring AI and the long-term priorities of governments and regulators in the region. AWS contributes its global strengths, including a broad portfolio of proven Agentic AI use cases, advanced services such as Amazon Bedrock, Amazon Q, and AgentCore, and a secure, scalable cloud infrastructure trusted worldwide. e& complements this with its deep regional presence, strong relationships with enterprises and government stakeholders, and expertise in delivering technological solutions that comply with in-country regulatory and sovereignty requirements. The result is a partnership that blends global innovation with local trust, uniquely suited to support the GCC's AI and digital transformation ambitions.

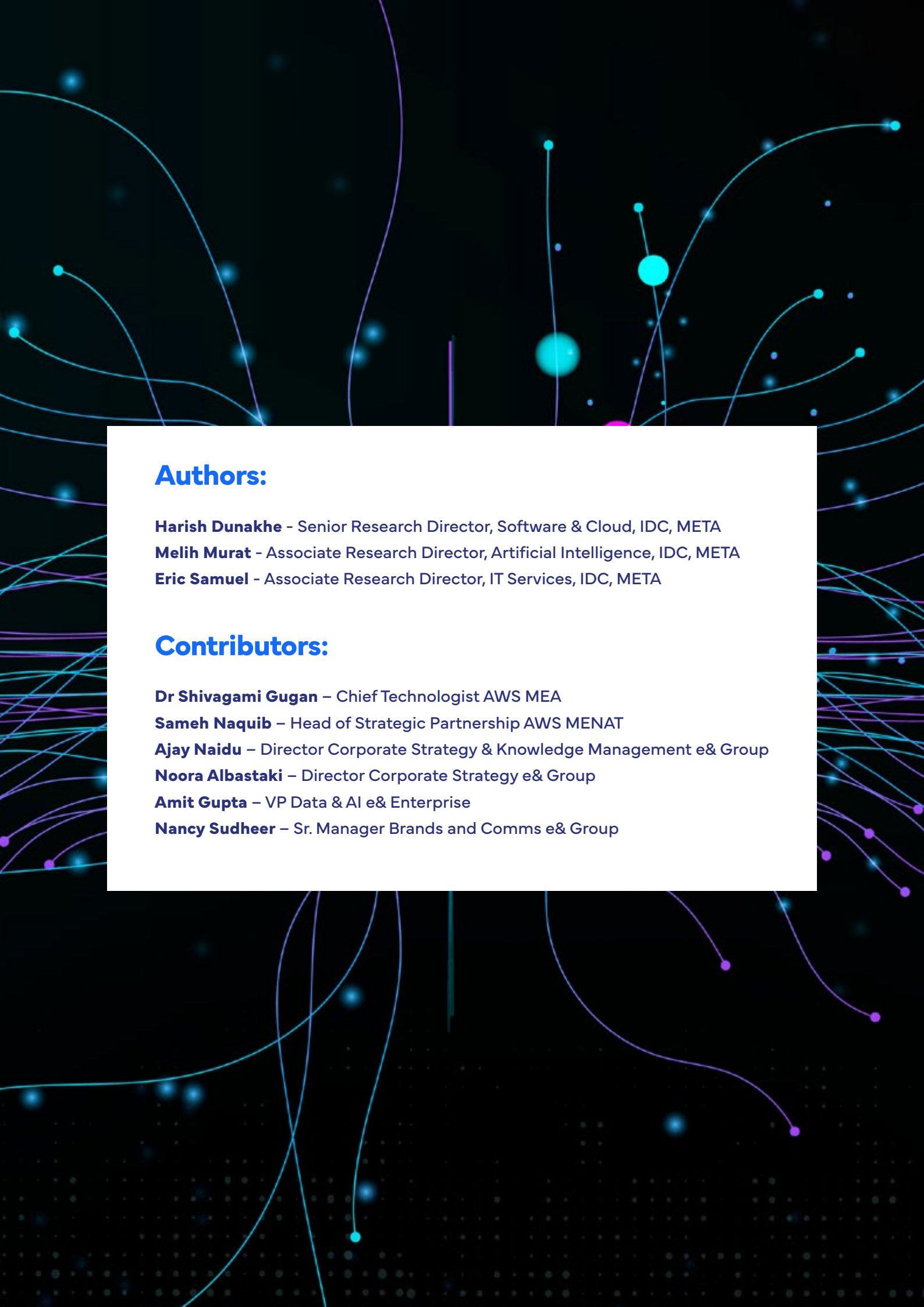
A flagship initiative of this alliance is the **UAE Sovereign Launchpad** with the endorsement of the UAE Cybersecurity Council. This initiative provides a sovereign-by-design cloud framework hosted on the AWS Middle East (UAE) Region and managed by e&. It ensures sensitive data remains within UAE borders while giving organizations access to AWS's powerful cloud capabilities. The Sovereign Launchpad directly addresses sovereignty and compliance needs for highly regulated industries, including finance, healthcare, government, and energy. To reinforce this commitment, the partnership also established the **Cybersecurity Technology Innovation Bureau (CTIB)**. The CTIB focuses on developing "Made in UAE" cybersecurity technologies and strengthening the country's resilience in the face of evolving digital threats, further aligning with national goals of cyber resilience and digital independence.

Beyond compliance, AWS and e& are investing significantly to scale innovation across the Middle East. In October 2024, the two companies signed a joint US$1 billion+ (AED 3.7 billion) strategic agreement that will run through 2030. This long-term investment is aimed at accelerating cloud-enabled and AI-driven transformation across industries and organizational sizes. The agreement expands access to advanced AI capabilities, including Agentic AI and generative AI, empowering enterprises to experiment, deploy, and scale innovative applications securely. For governments and enterprises alike, the investment ensures that the latest AI and cloud technologies are available within the region, supported by both global expertise and local delivery.

IDC was informed that AWS and e& have launched large-scale upskilling programs aimed at training thousands of individuals, including UAE nationals, in cloud and AI technologies. These initiatives align directly with the UAE's Vision 2031, fostering a resilient and future-ready workforce. For enterprises, this emphasis on skills development ensures the availability of local talent to implement, manage, and scale AI-driven solutions, reducing dependence on external resources and strengthening in-country capabilities.

IDC's research highlights that organizations in the GCC are actively seeking partners capable of supporting the entire lifecycle of Agentic AI adoption. This includes early-stage activities such as maturity assessments, strategy development, and the design of responsible AI policies, alongside practical guidance for identifying and prioritizing high-value use cases. As organizations advance, they require robust governance, security, and compliance frameworks, as well as reliable delivery resources within the region. The AWS and e& partnership is designed to address these needs, combining AWS's global expertise with e&'s localized delivery strength and in-country capabilities.

This partnership offers a sovereign, secure, and scalable AI and cloud foundation that adheres to the region's regulatory requirements while enabling rapid adoption of advanced technologies. By aligning global leadership in cloud and AI with regional priorities such as sovereignty, compliance, and talent development, AWS and e& are well-positioned to help GCC organizations unlock the full potential of Agentic AI.

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