

Artificial Intelligence Capability Census (2026)

Tracking AI Adoption, Opportunity, and Impact in Northern Ireland:
A Year of Progress

Commissioned by the Artificial Intelligence Collaboration Centre (AICC)
Prepared by Perspective Economics

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About this report

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ABOUT PERSPECTIVE ECONOMICS

Perspective Economics is an applied research consultancy specialising in evidence-led economic and policy analysis. We work with government, industry, and academia to help map new sectors, and assess the economic impact and potential of emerging technologies.

ABOUT THE ARTIFICIAL INTELLIGENCE COLLABORATION CENTRE (AICC)

The AI Collaboration Centre (AICC) is a pioneering £16.3m initiative led by Ulster University, in partnership with Queen's University Belfast. Its mission is to advance awareness and adoption of Artificial Intelligence (AI) technologies among businesses, specifically SMEs, across Northern Ireland.

Supported by Invest Northern Ireland and the Department for the Economy NI, it aims to enhance competitiveness, boost productivity, and promote the ethical and responsible use of AI across diverse industries. Its vision is to accelerate AI adoption within SMEs, build AI skills capacity, foster collaboration, and drive innovation across key sectors, creating meaningful impact.

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Foreword

When the Artificial Intelligence Collaboration Centre commissioned the first Capability Census a year ago, we described it as a baseline rather than a verdict. This second edition measures the region against it. It is a report on AI adoption, diffusion, and capability in Northern Ireland, not on the AICC, and the findings are considerable. Firms commercially engaged with AI here have risen from 198 to 400, AI-related employment to 2,402 roles and estimated AI-related Gross Value Added to £214m. The £200m milestone projected for 2028 has been reached two years early.

In hindsight, those 2025 scenarios were too conservative. They were calibrated to the pace at which regional economies have historically absorbed new technology. Artificial intelligence is not behaving that way, and policy built on the same assumptions will err in the same direction, at greater cost.

Part of this growth is genuine new capability; part is established firms upskilling and reclassifying teams in data and AI provision. Both are real, though they are not the same thing. The more encouraging signal is productivity, where estimated Gross Value Added per AI role has risen from £61k to £89k. Raising productivity through AI is what the AICC was funded to help support, but this is a regional measure and not a measure of us. No single intervention can claim credit for a movement of this kind, and what it tells us is that the region is moving in the right direction.

Three findings from the report should shape the region's response.

First, and as I argued in the baseline, Northern Ireland's distinctive strength does not depend on inventing technologies. It lies in taking technologies invented elsewhere and being exceptionally good at deploying them to enterprise customers at pace and at scale. That explains the region's record in attracting technology related foreign direct investment, and this census shows AI following suit. It is also, in my view, part of the answer to a harder question. AI is making software development itself more efficient, and some technology roles will go as a result. Attracting and retaining AI activity here will backfill a share of what is lost. That is not a comfortable argument, but it is realistic, and it argues for moving quickly.

Second, the region's investment base remains narrow. £158m has been raised since 2024, but Northern Ireland still accounts for under 1% of UK AI investment by value. Beneath that, micro firms have more than doubled. The challenge now is conditions rather than formation, shepherding companies from starting to surviving, from surviving to scaling and beyond, which requires early customers as much as early capital. I therefore welcome the £100m Sovereign AI procurement scheme announced by the Chancellor on 31 August¹, which lowers the barriers that habitually exclude smaller firms from public contracts, and the AICC is working to ensure firms here compete for it.

Third, adoption figures alone no longer measure capability. Fluency with a chat interface is not a capability. Fine-tuning a model for a domain, evaluating it honestly and governing a system a customer relies upon is,

¹ HM Treasury and Cabinet Office (2026) '£100 million competition to back British AI companies to fix public services', press release, 31 August 2026. <https://www.gov.uk/government/news/100-million-competition-to-back-british-ai-companies-to-fix-public-services>

and that is a higher bar. Closing that gap is where the AICC can help, and our Learning Labs and scholarship programme are pitched at advancing, and advanced, capability rather than familiarity.

The policy context has also moved. A draft AI Strategy is out for consultation, an Office of AI and Digital has been established, and Momentum One Zero, CADRIC incorporating AI Plus and Kelvin 2 give the region infrastructure of substance, though options to upgrade or replace Kelvin 2 should be advanced at pace. My principal observation on the Strategy is that it addresses only part of the problem. It is properly focused on responsible public sector use, and sound on that. But the greater part of Northern Ireland's AI economy, and almost all of its growth, sits in firms whose primary business is something other than AI. A strategy calibrated to public sector adoption will not reach them, and the wider prize depends on policy that supports advancement beyond it.

Turning from the region to this Centre, I can now set the AICC's own delivery against the targets we published. At the close of year two of a programme running to 2029, all indicators are ahead of pace, with 260 postgraduate scholars matriculated against a target of 390 and 117 small and medium sized enterprises supported directly against a target of 248. Our research and development activity has gone further still, with 42 funding submissions worth £35.5m against a target of 24 worth £10m. Female representation in our scholarship cohort stands at 31%. Progress, but not yet where I intend it to be.

Companies that have come through AICC support now appear in the census data in their own right, alongside the 182 firms carried forward from the baseline and on the same methodology. I do not offer that as proof of our impact. It means their progress will be recorded independently, year after year, whatever it shows. That is the right way round.

There is a wider question here. The Prime Minister's commitment to good growth in every postcode is the right ambition, and artificial intelligence can serve it. Whether it does depends on whether regions outside the established clusters build the capability to put it to work, and Northern Ireland starts from a reasonable position. Firms here report the lowest rate of AI-related headcount reduction in the United Kingdom and the highest share reporting no change, which suggests AI is being deployed alongside the workforce rather than in place of it. The sector pays a median advertised salary of approximately £61k, well above the regional median, and keeps young people in technical careers at home: good, well-paid jobs of the kind both the Economy Minister and the Prime Minister want to see. Northern Ireland helps set the growth agenda when the devolved administrations convene in October, and this report is offered as evidence. What is scarcer than funding for such growth is the capability to deliver it locally, and the AICC does that across all of Northern Ireland, not only in Belfast.

I commend Perspective Economics for a rigorous piece of work. Last year Northern Ireland set a baseline and invited the comparison. This year the comparison is favourable. The task now is to convert momentum into durable capability, and to be judged again in twelve months on whether we have.



David Crozier CBE,
Director, Artificial Intelligence Collaboration Centre

Executive summary

Perspective Economics was commissioned by the Artificial Intelligence Collaboration Centre (AICC) in June 2026 to update the Artificial Intelligence Capability Census (2025) baseline. This update provides the second annual assessment of AI activity across Northern Ireland, identifying firms actively developing, implementing, or adopting AI technologies, and comparing the position with the baseline findings.

The research provides an assessment of the number and type of businesses engaged with AI across Northern Ireland, the ecosystem's economic contribution (revenue, GVA and employment), the geographic distribution of activity, and the products, services, customers, and partnerships of AI firms. It also explores business adoption and AI skills benchmarked against other UK regions, public sector procurement of AI, and potential growth scenarios to 2030.

The research continues to use the baseline definition and methodology, combining Companies House data, web analysis, and a wide range of secondary sources, including the use of AI classification and enrichment techniques. It also explores job profiles and job postings data using Lightcast, the ONS Business Insights and Conditions Survey, public procurement data, and engagement with employers and AICC cohorts.

This process identifies 400 firms actively engaged in AI development or deployment as of August 2026, as set out in the methodology. All 198 baseline firms were re-reviewed, and 182 remain in scope. An additional 218 firms are identified as either newly registered firms, or new to the study parameters as they have since invested or developed their AI offering to market (e.g. through a new AI-powered product, or through AI-related projects and recruitment).

KEY FINDINGS

NUMBER OF COMPANIES

We identify 400 firms currently active in Northern Ireland's AI ecosystem, effectively double the 198 identified in the baseline. This includes:

- 126 dedicated (pure-play) AI firms (32%), up from 46, the majority of which are newly registered or micro firms;
- 138 diversified AI firms (35%), up from 63, reflecting consultancies and software firms developing data and AI practices; and
- 136 AI-enabled firms (34%), up from 89, using AI to enhance existing products or services or recruiting into AI roles.

We find that 236 firms (59%) are Northern Ireland founded, 118 (30%) are international (FDI) operations and 46 (12%) are Great Britain-headquartered firms with a Northern Ireland office. Of the 218 firms new to the study, 87 have been registered since 2024, 67 are inward investment projects that have established or expanded AI activity in Northern Ireland, and 64 are established Northern Ireland firms that have added AI to their offer.

AI-RELATED EMPLOYMENT

We estimate there are 2,402 full-time equivalents (FTEs) working in AI-related roles across these firms, compared to 1,340 in the baseline (+79%). This includes:

- 422 FTEs (18%) in 126 dedicated AI firms;
- 1,519 FTEs (63%) in 138 diversified AI teams within larger consultancies and IT firms; and
- 461 FTEs (19%) in 136 AI-enabled firms.

Employment remains concentrated within a smaller number of firms. We find 46 anchor firms (firms with 10 or more AI FTEs) account for 1,831 FTEs (76%), and the largest ten firms by AI-related employment account for 1,121 FTEs (47%, compared to 40% in the baseline), with externally owned firms (international inward investors and GB-headquartered firms) accounting for 70% of AI-related employment.

We find 78 firms employ 3 to 9 AI FTEs (unchanged from the baseline) and 254 firms employ 0 to 2 (up from 92). On a comparable basis, the 182 tracked firms from the baseline increased AI-related employment by 54% to 2,064 FTEs, in line with an estimated 51% growth rate recorded for the UK AI sector by Perspective Economics over the same period.

ECONOMIC CONTRIBUTION AND PRODUCTIVITY

We estimate NI AI-related revenue reached £434m and AI-related GVA £214m in 2026, compared to £188m and £82m in the baseline. GVA per AI FTE has also increased from £61k to £89k. Diversified firms account for £135m of GVA, AI-enabled firms for £41m and dedicated AI firms for £38m.

We note that the ambition set in the baseline (to reach £200m in direct GVA by 2028, employing over 2,000 AI professionals) has therefore been met two years early. However, of the £132m increase in GVA, we estimate that:

- £64m reflects headcount growth among tracked firms at baseline (including approximately £39m from professional services firms expanding digital and data teams as AI teams);
- £37m reflects higher GVA per FTE (i.e. increased profitability and remuneration among the workforce);
- £25m reflects 147 firms that were trading at the time of the baseline but not previously captured, and have since evidenced AI activity (through products, services, or employment); and
- £5m reflects 71 newly registered firms since January 2025.

In other words, the data suggests that most of the economic growth in the AI sector is being driven by AI implementation within larger employers in the region, where many firms have effectively doubled AI team headcount in the last year in response to increased demand and positioning. The research team will continue to track the longer term growth within these firms to explore where and how growth may be generated in future, and the wider distributional considerations.

INVESTMENT

We find 40 dedicated AI firms and highly AI-related diversified firms (15% of firms) have secured some form of external investment since incorporation. This compares to approximately one in four dedicated firms within the UK AI Sectoral Analysis.

Firms in scope have raised £158m in equity since 2024 (including £42m across 11 deals in 2024 and £59m across 16 deals in 2025). In the first half of 2026, £57m has been raised across five deals, meaning that we expect 2026 could be a record year for AI investment in Northern Ireland. However, Northern Ireland represents less than 1% of UK AI equity investment by value.

GEOGRAPHIC DISTRIBUTION

The data suggests that Belfast is home to 68% of Northern Ireland's AI firms and 87% of AI-related employment (this is a slight regional improvement compared with 73% and 89% in the baseline), followed by Derry City and Strabane with 8%.

BUSINESS ADOPTION OF AI

Analysis of the ONS Business Insights and Conditions Survey (June 2026) finds that:

- 45% of Northern Ireland businesses report that they do not currently use AI, the highest share of the twelve UK nations and regions; 39% report using at least one AI technology, compared to 41% for the UK;
- Depth of AI use is more mixed, with 9% of AI-using businesses in Northern Ireland reporting extensive use (the second highest share of any UK region), alongside the highest share (20%) of businesses reporting no investment at all in AI; and
- Businesses are seeking to augment workforces with AI, with 6% of NI businesses reporting automating or replacing roles (the lowest share in the UK) and 43% training or retraining existing staff (above the UK average of 41%).

AI SKILLS

We find over 7,900 Northern Ireland professional profiles cite an AI or machine learning skill, approximately 2% of Northern Ireland professional profiles and seventh of the twelve UK regions.

We also find **demand for AI skills rising**, with the number of job postings requesting an AI skill rising from 1,158 in 2024 to 1,755 in 2025 and 2,238 in the first half of 2026 alone (+161% on a rolling twelve month basis). **3.2% of Northern Ireland job postings now request an AI skill compared to 3.1% for the UK.** We find median advertised salaries for AI roles in Northern Ireland were approximately £61k in 2026.

GROWTH SCENARIOS

The forecast scenarios set out within the baseline have been exceeded within a year, demonstrating a faster increase in adoption and implementation than anticipated. We revise these scenarios in Section 10, suggesting that Northern Ireland could reach approximately 3,400 AI-related FTEs and £366m GVA by 2030, or £474m under the high scenario.

KEY OPPORTUNITIES AND RECOMMENDATIONS

Our analysis identifies a range of areas where targeted intervention could support ecosystem development: moving businesses from initial use of AI to firm-wide integration, scaling the mid-market of firms with 3 to 9 AI FTEs, developing public sector demand through procurement routes, and sustaining the early-stage pipeline. We also set out recommendations for AICC and partners:

PRIVATE SECTOR

- **Target adoption support at the scaling transition:** The adoption evidence suggests that Northern Ireland businesses match the UK at initial use of AI and at the deep end of use but fall short in the intermediate levels. AICC and Invest NI provision could be framed around moving AI from a small number of staff or single function to a more embedded business level, including integration, governance, and whole-team training, alongside sector-specific demonstrators showing what works.
- **Ongoing funded adoption support:** Scotland and Wales have introduced funded SME adoption programmes (Section 4), and Northern Ireland has no equivalent (albeit some initiatives may be in development at a council level). Co-investment support, in which firms contribute a share of eligible costs, could target firms ready to commit to implementation and support transformational projects of greater scale.
- **Grow the middle tier of the supply base:** The 78 firms with three to nine AI FTEs are unchanged in number since 2025. Scale-up provision, including investment readiness, first enterprise customers and follow-on funding, could be measured by firms moving from the early-stage band into this group and from this group into the larger 'anchor' group.
- **Use the local supply chain:** Local firms name hundreds of Northern Ireland customer organisations, and case studies in Section 6 demonstrate local firms procuring AI capability from each other. This may suggest brokerage and introductions between the firms and the wider business base, particularly in manufacturing, agri-food, and financial services, can offer a low-cost route to both adoption and revenue.

PUBLIC SECTOR

- **Set out the scale, timelines, and ownership of the AI Strategy:** The draft strategy is the first Executive-level AI Strategy for Northern Ireland; however, its value will depend on the final strategy setting out an indicative scale of investment, specific actions, and responsibility for delivery across departments, as comparator nations have done (Section 4). The evidence in this report suggests that adoption and procurement will not move without dedicated and skilled resource in this area.
- **Procure AI and build buyer capability:** Departments can use procurement to buy and support AI capability, adopt lessons from the Government Digital Service (GDS) and open-source AI tooling, and run challenge-led pilots in health, infrastructure, and education. Many areas remain speculative or early with regard to return on investment and efficacy. Procurement should therefore be able to adapt to modular and phased contracts, and departments should share what works, what does not, and emerging findings on AI contract delivery, indicative benefits, costs and return to the public sector.

- **Sustain and scale AICC delivery in line with demand:** AICC is ahead of pace against its published targets at the close of year two, and can support wider adoption, skills, and demonstrator activity. Consideration should be given to provision beyond the current funding period.
- **Track workforce exposure:** Northern Ireland businesses report the least displacement in the UK to date; however, the fastest increase in reported impact is in administrative and contact centre roles, which the Matrix report identifies as among the most exposed. Additional research into Northern Ireland level occupational and task exposure estimates should be developed and considered alongside this census.
- **Support the early-stage pipeline:** We note over 70 new firms registered since the baseline, within which initiatives such as Founder Labs have supported early-stage growth, and AI implementation across a wide range of sectors and use cases. These firms may be increasingly important both in creating high-growth start-ups and in showcasing AI adoption.

WIDER ECOSYSTEM

- **Explore and support Northern Ireland's role in the AI infrastructure layer:** The region has a clear and emergent link to the global AI build-out as a supplier of power, cooling, storage, and networking, through firms such as Seagate, NVIDIA, and AMD. This is a distinct strength that sits within Invest NI's manufacturing remit, in areas where employment growth could be substantial.
- **Develop cross-border opportunities:** The Republic of Ireland accounts for a small share of named customers among both indigenous and externally owned firms in scope (Section 6), despite proximity and Ireland's own AI strategy and statutory AI Office. InterTradeIreland and existing cross-border programmes may offer a route to further develop AI-related trade and collaboration on the island.
- **Better reporting and transparency:** In areas such as procurement and public use of AI, data sharing or the open ecosystem dashboard recommended in the baseline could improve understanding of what works in AI in the region.

The ecosystem has grown ahead of the baseline scenarios, with strengths in implementation within diversified firms and inward investors, a growing base of newly registered dedicated firms, and increasing demand for AI skills. The evidence also suggests that adoption across the wider business base and demand from the public sector have yet to develop at the same pace, and the 2027 update will track both alongside the supply side.

1. Introduction

In June 2026, the Artificial Intelligence Collaboration Centre (AICC) commissioned Perspective Economics to undertake research to update the baseline AI census, and to identify and estimate the size, capability, and growth potential of the AI ecosystem across Northern Ireland.

The research provides an updated assessment of the number and type of businesses commercially engaged with AI across Northern Ireland, including an assessment of the ecosystem's current economic contribution, the geographic distribution and concentration of AI activity, the products, services, and sectors served by AI firms, and wider investment levels and growth potential.

The authors continue to recognise that Artificial Intelligence is a fast-moving and contested domain with regard to definitions, scope, and intensity. We set out research definitions throughout the paper.

We continue to emphasise that the **study deliberately focuses on firms that are developing AI products or services or actively hiring and recruiting AI-related talent where this can be identified through web data or accounts**. It recognises broader demand and adoption; however, a firm typically must demonstrate evidence of external or internal product development or technical implementation of AI solutions that are beyond use of general productivity tools such as commercial LLM subscriptions or Copilot for inclusion within the study parameters. **This is undertaken to ensure that we can provide a focused analysis of firms that are embedding AI into product and service development, and to further our understanding of the capabilities in the region.**

As such, this study should be considered a supply-side assessment of the AI ecosystem in Northern Ireland, identifying strengths and opportunities for AI provision, deployment, and scale. This research involves extensive mapping, enrichment, classification, and analysis to identify relevant businesses and organisations actively developing or deploying AI within their operating models.

Overall, this study analyses a final shortlist of 400 firms actively engaged in AI development or deployment (as of August 2026). It considers AI-related employment, Gross Value Added, key sectors and use cases for AI, products and services developed by firms active in Northern Ireland, and explores wider demand, partnerships, and potential for the region.

The study has been informed by a series of research principles, including use of an established national AI evidence base, reviewing all active firms across Northern Ireland to ensure all firms are considered, extensive identification and verification techniques, engagement with AICC cohorts, and developing a firm-level baseline for all analysis.

The following subsections set out the methodology, study definitions and scope used for the research.

2. Methodology

The research team has used a multi-stage methodology to identify, enrich, and measure the scale of the AI ecosystem in Northern Ireland.

- **Stage 1. Mapping and longlisting of sources:** The research team developed an initial mapping of AI-related firms across Northern Ireland. This included a full initial web-based review (using keywords, LLMs and semantic search) to identify relevant firms, review of all firms in the DSIT AI Sectoral Analysis with an active presence in Northern Ireland, and review of wider sources (e.g. accelerator attendances and co-working and tech spaces, web articles, open and proprietary datasets, job adverts, and AICC engagements) to identify wider candidates for research inclusion.
- **Stage 2. Definitional considerations:** The research team continues to use the baseline definition for AI firms in scope of this study. This includes an overarching definition, in addition to segmentation between dedicated and diversified AI firms, and wider AI enablement and activity.
- **Stage 3. Firm-level review:** The research team undertook extensive data cleaning and matching to verify where any long-listed company was active in Northern Ireland (registered and/or trading), as well as verify active website, activity, and Companies House status. Additional checks were also undertaken to match firms across a range of datasets and to develop a single database for analysis.
- **Stage 4. Shortlisting:** The research team undertook additional shortlisting, to remove any inactive firms or firms not aligned to the research parameters.
- **Stage 5. Final enrichment and analysis:** The research team also undertook final enrichment reviewing company web data, accounts, and wider signals such as recruitment, workforce profiles, external investment, and procurement. Additional engagement with site leads and AICC cohorts was also undertaken to help verify and augment the findings. All analysis is collated by the research team, and this report analyses growth since the baseline report.

We note that this is an experimental research area and relies upon an extensive range of data sources and analysis. This reflects a best estimate of activity as scoped by the research team, but we note that definitions and modelling approaches may vary across studies, particularly as AI continues to evolve and embed. However, we note that the research team also leads AI mapping at a national level and has an established national baseline and methodology to consider AI activity across Northern Ireland, applied independently.

This study presents an independent analysis of Northern Ireland's AI ecosystem, as defined within this report. The analysis and findings are that of the authors and do not necessarily reflect the views of AICC, Ulster University, businesses, or partner organisations. This represents a mapping of an emerging AI ecosystem drawing on a research based definition, and a range of underlying data sources and analysis techniques.

This represents Perspective Economics' best estimate of businesses active in the Northern Ireland AI ecosystem; however, figures may be subject to interpretation. All interpretation and analysis is subject to the limitations of available data. Perspective Economics accepts no liability for any errors, omissions, or decisions made based on this report.

Cohort tracking since the 2025 baseline

The baseline report (2025) identified 198 firms active in the NI AI-related ecosystem. All firms were re-reviewed to confirm active trading status, an operational presence in Northern Ireland, and sustained relevance to the study. We find the majority of firms (182, 92%) remain in scope of the study. The remaining 16 firms have either since dissolved, been acquired, or no longer maintain a physical or employment presence (AI-related) in Northern Ireland.

A further benefit of undertaking a baseline and longitudinal assessment of providers is that the research team can track growth within the baseline cohorts (i.e. how firms are growing their AI capabilities, headcount, or GVA over time) in addition to new firms brought into scope due to increased AI rollout across wider sectors. This means that growth can be considered at a firm-level and an aggregate level and will also support AICC with tracking productivity and output among supported cohorts over the coming years.

Use of AI in this research

This study examines the use of artificial intelligence, and AI tooling was also used in its production. The research team used AI, including large language models such as Claude and Qwen to support specific tasks including the identification and review of thousands of firms at scale, the classification and tagging of companies against the study taxonomy, and the analysis of text data such as company descriptions, products and services, and contracts. These tools were used to assist the research team. All AI-assisted outputs were reviewed, subject to quality assurance, testing and model comparison, and classifications were confirmed by the research team. Manual research and verification techniques were applied throughout, including review of company accounts, and wider data sources.

The research team also improved web data collation (capturing more web data for firms in scope, including global, national, and regional relevance to the study), and increased inference to verify and confirm content identified at a Northern Ireland level. The research team also used open-source models where appropriate using local LLMs on a closed AI cluster.

Interpretation and limitations

This analysis employs experimental data methodologies, including use of web data analysis, combined with traditional sources such as Companies House filings and published accounts.

Web analysis can provide real-time insights into firms' AI activities, capturing information such as technical capabilities, partnerships, and projects relating to AI. The research team has used large language models (including Claude and Qwen) to assist in processing unstructured text data at scale, identifying and classifying relevant signals across company websites, job postings, and wider web data.

However, we recognise that some firms may have more limited digital footprints, or less web data may be available where firms prohibit use of web crawling approaches. Further, some firms may provide higher detail or text regarding their AI-related activities, and external validation may be necessary to confirm or assess the 'true extent' of this provision.

Company categorisation also requires judgement in interpreting business models, AI maturity, and technology applications, based on the data available. While standardised frameworks were applied using embeddings and LLMs, subjectivity may still apply in boundary cases or where firms provide limited detail regarding operations. The research team has undertaken human review of the web data and classification models to verify and validate the findings and augmented the classification models accordingly. This provides an assessment of visible firm-level data regarding AI provision, but it should be treated as experimental and indicative.

With regard to AI-related employment, the research team has reviewed company accounts, web profile counts (derived from Lightcast, specific to AI skills and roles within Northern Ireland based anonymised profiles), and consultation with AICC and some large AI employers in the region to test AI-related headcount estimates. This assists the research team in estimating the total volume of 'AI professionals' employed within the firms identified on the supply side. However, we note this is an estimate only, used to inform the direction of travel within the local labour force.

Further, employment growth does not necessarily equate to 'new employment' but may reflect individuals increasing cited use of AI skills or job titles over time. At an employer level, firms may also be incentivised to develop new 'AI teams' which may also inflate reported profile volume over time, both self-reported and observed. This is explored in a recent NBER paper² which notes that 'profile data records are not fixed historical snapshots, but mutable accounts that workers revise over time,' where retrospective edits can be made to increase AI-related language over time.

Finally, we note a sustained challenge in delineation between 'dedicated,' 'diversified' and 'AI-related' activity within firms across the region. This tagging of firms is undertaken for internal research purposes to understand which firms appear to be developing new AI technologies, the extent of maturity and expertise in AI implementation, and understanding wider adoption with commercial application. This is not an individual judgement call; but rather, an assessment to inform our assessment of the ecosystem.

² Nicholas Bloom, Gideon Moore, Lisa K. Simon, and Caelan Wilkie-Rogers, "Time Travel on Professional Profiles," NBER Working Paper 35546 (2026), <https://doi.org/10.3386/w35546>.

3. Definition and Taxonomy

In line with the UK AI Sectoral Analysis, the analyses contained in this report are based on a commercially oriented taxonomy of AI activity in the UK. We continue to use a flexible definition of AI that encompasses systems capable of performing tasks that typically require human intelligence, including pattern and vision recognition, decision-making, natural language processing, and predictive analytics.

This definition encompasses a wide range of relevant technologies, from foundational machine learning applications to deployment of Generative AI and recognises that the commercial AI landscape in Northern Ireland includes firms at various stages of AI maturity and deployment. It also enables this study to track progress over time, as AI technologies evolve and change.

We recognise that identifying 'AI firms' presents inherent challenges given the heterogeneous nature of AI usage across the Northern Ireland economy. Unlike other sectoral classifications, AI spans multiple industries and business models.

However, the intention of this research is to take an economy-wide approach to identify any firm active in AI product or service development or enriching existing offering with AI technology.

For this NI ecosystem mapping, the research continues to focus on three main groups:

- **Dedicated AI firms:** Firms whose core business centres on developing AI models, algorithms, or platforms, or focusing on AI advisory and implementation solutions. These represent the technical leaders within the ecosystem, often emerging from university spinouts or dedicated AI startups.
- **Diversified AI firms:** Firms using or developing AI (market facing), that also offer wider products or services e.g. consultancies and software development firms. This typically includes organisations that specialise in deploying AI solutions for clients, bridging the gap between capability and commercial application. This category often captures firms involved in enabling wider AI adoption.
- **AI-enabled firms:** Established firms integrating AI capabilities to augment existing products or services. This can include firms across all sectors using AI to enhance or improve existing processes or solutions (with commercial evidence, including relevant expenditure, engagement, or employment) e.g. financial firms deploying fraud detection algorithms, or manufacturing firms implementing predictive maintenance systems.

This framework acknowledges that some firms may transition between categories as their AI capabilities mature, and that classifications may be subject to interpretation based on the data available to the research team.

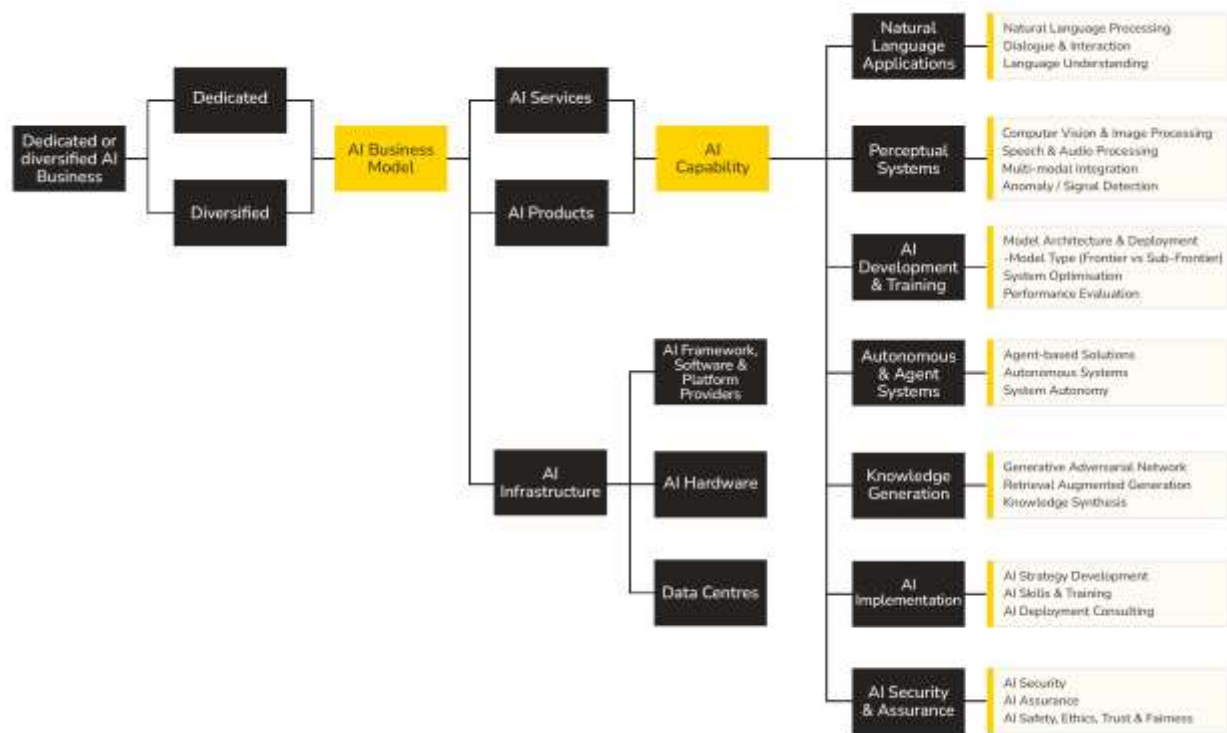
In order to define and identify relevant firms, the research team developed a market taxonomy with DSIT, validated by the AICC. Further, thousands of relevant technical and market-facing key terms have been identified (via initial web review and national workshops) to consider the types of technology, products, and services, which should be scoped as 'AI-related.'

Each firm identified as part of the long listing has been reviewed against the AI taxonomy (see overleaf) and the study definition for final consideration.

AI TAXONOMY

The DSIT AI Sectoral Analysis recognises that firms can be classified into a wide range of categories. As such, review of trading data considers firstly, whether a firm appears ‘dedicated’ or ‘diversified’ in its use and provision of AI technologies, followed by its business model (whether it provides services, products, or AI infrastructure), and its capabilities in relation to AI technologies. These are set out below. The research team also provides additional ‘markers’ for companies with respect to sectors served, consumer and market focus, and factors such as domicile and internationalisation, growth, and innovation.

NATIONAL UK AI MARKET TAXONOMY



Source: DSIT AI Sectoral Analysis (Perspective Economics)

- **Dedicated vs Diversified AI companies:** at the highest level, the taxonomy segments the business population according to whether they are a dedicated AI company, or whether AI activity makes up a smaller proportion of a much broader commercial business offering. Dedicated AI companies are businesses that provide a proprietary AI technical service, product, platform, or hardware as their primary revenue source, whereas diversified companies provide AI products or services as part of a broader business offer.
- **AI business model:** at a lower level, the taxonomy segments between creators of strategic AI infrastructure³, developers of AI products⁴ and AI service providers⁵. Adopters of AI products or services developed by others are outside the scope of this study. The distinction between using AI to produce a product or service (AI adoption) and building AI products and services on top of the AI technologies of others (AI product or service development) has become increasingly difficult to define. Consequently,

³ Including hardware, frameworks, software, libraries, and platforms.

⁴ Companies producing bespoke, value adding AI solutions marketed and sold as products.

⁵ Companies with AI expertise providing AI related services.

granular web data has been collated on in-scope companies and analysed to better understand and assess the product and service offer of companies included in the dataset.

- **AI capabilities:** Technical capabilities apply across business models, and an AI business may have more than one capability. Core capabilities have been developed within the national study following a taxonomy workshop comprising industry and academic experts and policy representatives. This includes disaggregation of capabilities to reflect increasing specialisation in the market for AI products and services; and grouping of unique AI capabilities into a new set of higher-level categories. These capabilities are grouped into areas such as Natural Language, Perceptual Systems (including Computer Vision and Image Processing), AI Development and Training, Autonomous and Agentic Systems, Knowledge Generation, AI Implementation, and wider AI Assurance, Safety and Security solutions.

4. The wider Northern Ireland AI environment

There are a range of national strategies and policies that may help to shape the growth of the Northern Ireland ecosystem. We set out some of the headline UK and NI level strategies and announced initiatives, in addition to wider themes for strategic consideration below. Please note many of these initiatives are either announced or undergoing implementation and may vary with regard to investment and progress.

UK LEVEL

INFRASTRUCTURE AND COMPUTE

- AI Growth Zones
- AI Research Resource
- UK Compute Roadmap
- National Data Library
- AI Energy Council

STRATEGY AND FUNDING

- Modern Industrial Strategy
- Digital and Technologies Sector Plan
- AI Opportunities Action Plan
- Sovereign AI
- AI Adoption Fund
- AI Champions
- Sovereign AI R&D Procurement Scheme

REGULATION AND GOVERNANCE

- AI Security Institute
- AI (Regulation) Bill (2026)
- AI Growth Lab
- Data (Use and Access) Act 2025
- Blueprint for Modern Digital Government
- AI Assurance Roadmap
- AI Cyber Security Code of Practice

NORTHERN IRELAND

INFRASTRUCTURE AND COMPUTE

- NI-HPC / Kelvin-2
- Artificial Intelligence Collaboration Centre
- Momentum One Zero (part of Belfast Region City Deal)
- CADRIC incorporating AI Plus (part of Derry~Londonderry and Strabane City Region City Deal)

STRATEGY AND FUNDING

- Draft AI Strategy for Northern Ireland (out for consultation)
- Programme for Government 2024 to 2027 (commitments to an Office of AI and Digital)
- AICC funded under Invest NI and DfE remit to 2029
- City Deal digital pillars
- DfE Economic Vision and AI Strategic Direction
- Invest NI Business Strategy 2024 to 2027

REGULATION AND GOVERNANCE

- Office of Science and Technology, incl. role of Chief Scientific and Technology Adviser
- Office of AI and Digital underway
- AICC Responsible AI Hub (guidance role)
- EU AI Act applicability

In preparing this research, we also reviewed a series of wider research papers and initiatives that also explore Northern Ireland's AI and digital ecosystem. We note that some definitions, approaches, and methodologies may vary; however, these all provide insight into the assets, strengths, capabilities, and adoption. These include:

Strategy / Research Report	Overview
Draft AI Strategy for Northern Ireland (August 2026) ⁶	The Northern Ireland AI Strategy was published in draft form for consultation in August 2026. It focuses on public sector use cases for AI, including eight principles for use including oversight, accountability, data governance, technical safety, fairness, sustainability, societal benefit, and wider AI training and literacy. Whilst this document sets out a range of existing statistics, case studies and use cases across these principles, it does not set out an indicative or formal scale of actions or investments to be made by government in the years ahead. Instead, it sets out a range of summary actions for wider government to explore including governance frameworks for the use of AI in the public sector, plans for building operational AI capability in the public sector, and an AI strategy for education and citizen engagement.
Northern Ireland: an AI Frontier Region (Microsoft) and AI Economy Ireland 2026 (Trinity College Dublin and Microsoft), April 2026 ⁷	Microsoft has recently published its 'manifesto for Northern Ireland' which "outlines a vision for Northern Ireland to become an 'AI Frontier Region' by leading the rapid, responsible adoption of AI to transform public services, drive productivity, and strengthen economic competitiveness." This is also augmented with adoption research across the island of Ireland, which suggests that '94% of organisations in NI say they are using or planning to develop AI tools internally' and that '86% of business leaders in NI consider themselves AI literate'. This adoption survey reflects 50 businesses in Northern Ireland, conducted by Trinity College Dublin.
Harnessing AI to boost Northern Ireland's productivity (April 2026) ⁸	This research explores how AI may impact the regional workforce across a range of roles and sectors. It sets out recommendations for how AI might increase productivity within the region, driven by engagement with people (focusing on new skills and lifelong learning), businesses ('adopting a second-mover approach' driven by AI implementation, and investment in assets and management practices), and government (an AI Strategy underpinned by productivity and growth, skills, and public sector transformation).

⁶ The Executive Office (2026): 'Northern Ireland's Draft Artificial Intelligence Strategy' Available at: <https://www.executiveoffice-ni.gov.uk/consultations/northern-irelands-draft-artificial-intelligence-strategy>

⁷ Microsoft (2026) Northern Ireland Leading in AI Adoption, Confidence & Early Commercial Impact, New Research Shows, Available at: <https://news.microsoft.com/source/emea/features/northern-ireland-leading-in-ai-adoption-confidence-early-commercial-impact-new-research-shows/>

⁸ R. Donaldson, D. Jordan, S. McDonald, J.D. Turner (2026) Harnessing AI to boost Northern Ireland's productivity: Implications for people, business, and government, Productivity Insights Paper No. 088, The Productivity Institute Available at: <https://www.productivity.ac.uk/research/harnessing-ai-to-boost-northern-irelands-productivity>

Belfast Chamber & Galvia Digital AI Survey (Jan 2026) ⁹	Belfast Chamber and Galvia Digital released the findings of an NI AI readiness and adoption survey, with responses from 211 participants across Northern Ireland. It suggests that '83% of business respondents across Northern Ireland are already using AI tools and this includes both formal and informal use such as ChatGPT, Copilot and AI enabled features within everyday software, yet 73% have no formal AI policy in place, highlighting a widespread adopt first, plan later approach.'
AI Pulse: Public Sentiment in Northern Ireland on Artificial Intelligence (December 2025) ¹⁰	The Ulster University Strategic Policy Unit released an 'AI Pulse' capturing public sentiment on AI in December 2025. This captures views among the public (1,050 NI representative sample), including high levels of awareness (93% very or somewhat aware), experience of usage, attitude (reflecting mixed views where 38% are very or somewhat positive, and 39% are very or somewhat negative), training (where only 10% have had training), and wider sentiment regarding risks, infrastructure and policies.
AICC and Momentum One Zero Memorandum of Understanding (Dec 2025) ¹¹	In December 2025, the Artificial Intelligence Collaboration Centre (AICC) and Momentum One Zero signed an MoU to 'formalise a strategic partnership that enhances collaboration, strengthens regional market clarity, and accelerates AI-driven innovation across NI'. Practically, this involves 'a clear and frictionless pathway for companies, supporting them from academic research and talent development through to the creation of minimal viable products (MVPs), practical implementation, and commercial growth. Businesses will be signposted to the organisation best aligned to their needs, reducing duplication and ensuring maximum value across the region's innovation ecosystem.'
GCD Technologies and IoD NI: State of AI in Northern Ireland Businesses (October 2025) ¹²	This survey explores AI usage across NI businesses, suggesting early-stage adoption, where 'only 19% of Northern Ireland businesses currently use AI' and 'fewer than 4 in 10 of these (39%) use it strategically'; but that 'strategic adopters are seeing impact with 86% report efficiency gains, 71% improved customer experience and 58% revenue growth'.
Matrix, AI, and the Future of Work in Northern Ireland (September 2025) ¹³	Matrix published the 'AI and the Future of Work in Northern Ireland' research report in September 2025. This explores a range of potential scenarios for Northern Ireland with regard to AI adoption and maturity, projecting AI contributing between £0.2 billion and £3.7 billion in incremental GVA by 2030 relative to 2023, with a midpoint estimate of £1.2 billion. The four scenarios explore pace of AI adoption, and skill responses from government and industry.

⁹ Galvia Digital in partnership with Belfast Chamber (2026): 'AI in Northern Ireland Businesses: Readiness and Adoption Survey (2025)', released January 2026. Available at: <https://galviadigital.com/northern-ireland-ai-survey-2025>

¹⁰ Ulster University Strategic Policy Unit (2025) 'AI Pulse: Public Sentiment in Northern Ireland on Artificial Intelligence' Available at: https://www.ulster.ac.uk/__data/assets/pdf_file/0008/1794077/UU-SPU-The-AI-Pulse-report.pdf

¹¹ M1.0 and AICC sign strategic MoU to strengthen Northern Ireland's AI ecosystem: Available at: <https://www.momentumonezero.com/news/M10andtheAICCsignstrategicMoU.html>

¹² IoD NI and GCD Technologies (2025): The State of AI in Northern Ireland Businesses Adoption, Barriers & Strategic Impact. Available at: <https://www.iod.com/locations/northern-ireland/news/the-state-of-ai-in-northern-ireland-businesses-adoption-barriers-strategic-impact/>

¹³ Matrix, Firetail (2025): 'AI and the Future of Work in Northern Ireland'. Available at: https://matrixni.org/wp-content/uploads/2025/11/AI_FutureOfWorkNI_Matrix.pdf

Ulster University: AI for NI: A Strategic Overview for the Adoption of Artificial Intelligence in Northern Ireland (May 2025)	This document reviews the economic and strategic context for AI in NI, including a comparable analysis of other regions, AI in the public sector, and sets out a range of policy considerations with respect to data sharing, trust, risk, regulation, and skills. It calls directly for an Executive-level AI Strategy. ¹⁴
DSIT AI Sector Study (2025) ¹⁵	This annual analysis is commissioned by the Department for Science, Innovation and Technology (DSIT, now DBIST) and delivered by Perspective Economics. It provides an overview of the number of AI firms in the UK, in addition to estimated AI-related revenue, employment, GVA and investment.

Review of these documents highlights a range of considerations for the research team:

- **Adoption and return on investment are hard to measure:** Much of the NI evidence base captures whether firms are self-reporting the use of AI tools rather than the quantifiable return they are seeing from it. Where impact is reported, this is often self-reported by firms, and the measurements can be broad (e.g. time saved) without due quantification beyond percentage of firms. We are not aware of any NI study that has attempted to measure the benefits and costs of adoption or to compare tangible outcomes against firms across tiered levels of AI adoption. Further, quantified estimates, such as the Matrix GVA estimates (£0.2bn to £3.7bn by 2030) are scenario-based rather than observed. At the time of writing, UK Government is designing large scale multi-year research to explore ‘what works’ in the impact and effectiveness of AI adoption, tracking how teams actually use AI and what policy interventions appear to work. Comparable analysis within Northern Ireland would help to establish actual levels of AI adoption and maturity, business-level spend on AI, cost and data governance, and quantifiable benefits (and to whom). It would also help to understand how firms are integrating models, and where AI pilots are succeeding in driving new revenue, efficiency or new products and solutions for NI firms.
- **Strategic commitments appear to be lagging:** Many of the initiatives set out above are at a draft or consultation stage or provide an assessment of the landscape. The draft AI Strategy does not yet set out an indicative scale of investment; the Office of AI and Digital is in development; and Northern Ireland does not currently host an AI Growth Zone or a national AI Research Resource facility. In comparison:
 - Ireland’s National Digital and AI Strategy 2030¹⁶ includes 90 deliverables across several departments and agencies, including for 100% of key public services to be digitalised by 2030. It also includes sectoral adoption targets, a statutory AI Office, and a range of adoption, regulatory, AI readiness and skills interventions.

¹⁴ Ulster University Strategic Policy Unit (2025) ‘AI for NI: A Strategic Overview for the Adoption of Artificial Intelligence in Northern Ireland’. Available at: https://www.ulster.ac.uk/__data/assets/pdf_file/0009/1735992/AIforNI-AStrategicOverviewFullDocument.pdf

¹⁵ HM Government, Perspective Economics (2025) ‘AI Sector Study’: Available at: <https://www.gov.uk/government/collections/artificial-intelligence-sector-study>

¹⁶ Government of Ireland, Department of the Taoiseach (2026) ‘Digital Ireland: Connecting our People, Securing our Future’, National Digital and AI Strategy 2030, February 2026. Available at: <https://www.gov.ie/en/departments-of-the-taoiseach/campaigns/digital-ireland-connecting-our-people-securing-our-future/>

- Scotland's Artificial Intelligence Strategy 2026-2031¹⁷ includes ten initial actions to be completed by March 2027 to make early progress, including appointment of AI Industry Champions, national engagement, AI safety frameworks, an AI adoption programme including AI Leadership Academy, a Future Jobs Panel, an AI Scale Up Accelerator for high growth firms, an AI public sector innovation programme, data matchmaking pilot, and ongoing support for green data centres and the Lanarkshire AI Growth Zone.
- The Welsh Government published its 'AI Plan for Wales'¹⁸ in November 2025. It follows the North Wales AI Growth Zone announcement and a £2.1m SME AI adoption support package through Business Wales.

This suggests that, in addition to support for funded initiatives such as the AICC and Kelvin-2 HPC, Northern Ireland may benefit from more definitive investments, commitments, timelines and clarity with regard to public sector adoption, private sector scaling, collaborative investments in infrastructure, and wider societal AI adoption and trust.

- **AI adoption increasing regardless:** Notwithstanding the above, usage of AI tools is increasing across the business base, through general-purpose tools and AI features embedded within existing software. However, understanding tiered levels of maturity and adoption, or where firms are succeeding (or failing and learning from pilots) is key, and may help to explain why headline adoption figures can vary so widely between surveys depending on the breadth of the questions posed. It also suggests that adoption rates alone are becoming a less useful indicator of capability, as widespread use of tools such as Copilot or Claude Code may not necessarily reflect an ability to build, deploy, govern, or share AI systems.
- **Impact of AI emerging:** Where impact is reported, it tends to be concentrated among a small group of strategic adopters. Public sentiment also appears mixed (38% positive, 39% negative in the Ulster University AI Pulse) and only 10% of respondents reported having received any training. This suggests that the reported benefits of AI are, at present, being realised by a narrower group than the number of users might imply, or further impact assessment may be required to understand direct, indirect, and induced impact of AI usage within Northern Ireland. We explore this further in Sections 7 and 8.
- **Methodological variation:** There are varying methodologies across these studies. These are typically survey derived, but have variations in definition, intent, sample size, and sampling frame. This Capability Census focuses on supply side estimation, as a marker for where firms are demonstrating market signals with regard to AI. However, we note that the ONS Business Insights and Conditions Survey provides UK-wide waves of questions on AI adoption with a regional breakdown, and we explore how this data suggests Northern Ireland compares to the UK and regional counterparts with regard to self-reported business use of AI.

¹⁷ Scottish Government (2026) 'Scotland's Artificial Intelligence Strategy 2026-2031', 20 March 2026. Available at: <https://www.gov.scot/publications/scotlands-ai-strategy-2026-2031/documents/>

¹⁸ Welsh Government (2025) 'AI Cymru: Shaping a Smarter, Fairer, More Prosperous Wales' (AI Plan for Wales), 12 November 2025. Available at: <https://www.gov.wales/ai-plan-for-wales>

5. Mapping the Northern Ireland AI ecosystem (2026)

This section sets out the findings of the research (August 2026) identifying relevant firms engaging within the Northern Ireland AI ecosystem. It also sets out a quantified update of the size and scale of the ecosystem. It explores the extent of AI activity across firms identified and applies further consideration of tiered 'dedicated' or 'diversified' economic classification for firms (i.e. whether all or a proportion of the firm's activity can be considered AI-related).

For the firms identified in this study, the research team has developed an underlying bespoke firm-level dataset covering a wide range of metrics and variables, including review of registered company data, web data, investment data, research and innovation data, and procurement participations. All data is aggregated, cleaned, matched, enriched and analysed by the Perspective Economics research team as of August 2026.

Businesses involved in the NI AI ecosystem

This research seeks to identify how companies are engaging with and deploying AI within their product and service offer and wider business model. This helps to provide an assessment of AI maturity within the supply side, as well as informing estimates for the scale of AI activity within firms in Northern Ireland as of August 2026.

The research team has identified 400 active companies involved in the Northern Ireland AI ecosystem. This figure has effectively doubled since the baseline (2025) estimate of 198 firms.

Of these, 243 also appear in the DSIT AI Sectoral Analysis (registered and trading in Northern Ireland) or the 2025 census; a further 157 firms are identified through this regional study.

Based upon review of description and operational data, we estimate that:

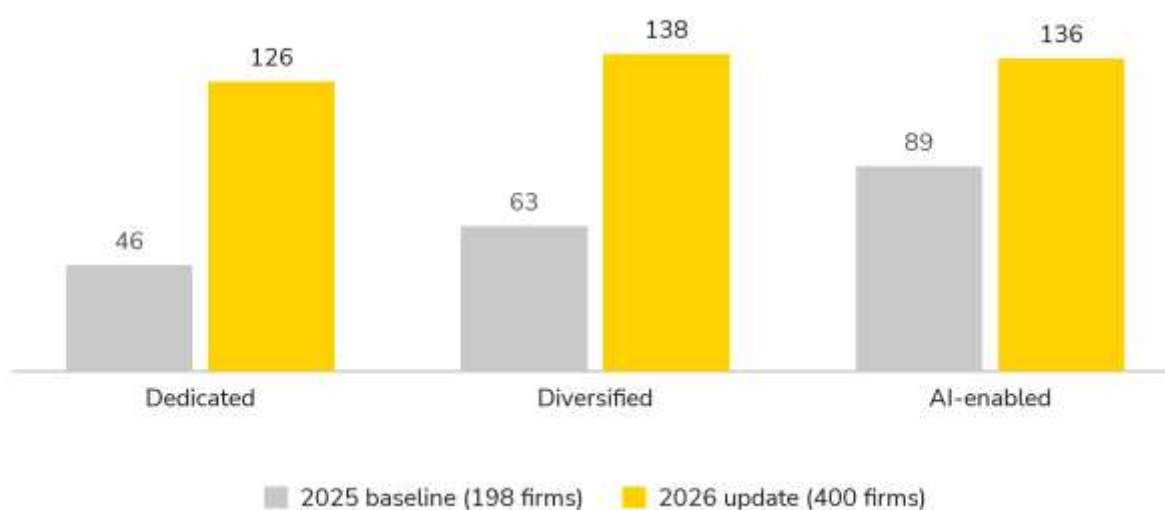
- 126 firms (32%) can be considered pure-play or dedicated AI firms (e.g. focused solely on developing or selling AI solutions);
- 138 firms (35%) are diversified and offer wider products or services, but appear to have relevant AI teams and employment with commercial focus (e.g. IT consultancies offering AI advisory support); and
- 136 firms (34%) can be described as AI-enabled and have demonstrated some evidence that they are using AI to develop or enhance their existing products or services (e.g. software firms including 'AI-powered' modules to existing SaaS products) or appear to be hiring in AI roles and building capacity.

We also recognise that there are potentially thousands of firms across Northern Ireland (outside the scope of this study) that adopt AI in their day-to-day business operations, e.g. using Copilot or ChatGPT or similar.

Table 5.1 Tier definitions and firm counts, 2026

Tier	Short definition	Firms (count)	Share of total
Tier 1 – Dedicated	Primary value proposition is AI	126	32%
Tier 2 – Diversified	Embeds AI in existing products	138	35%
Tier 3 – AI-enabled	Active in NI AI ecosystem through recruitment activity / internal or early-stage R&D	136	34%
Total	AI ecosystem estimate	400	100%

Figure 5.1 Count of AI-related firms in Northern Ireland by tier, 2025 and 2026



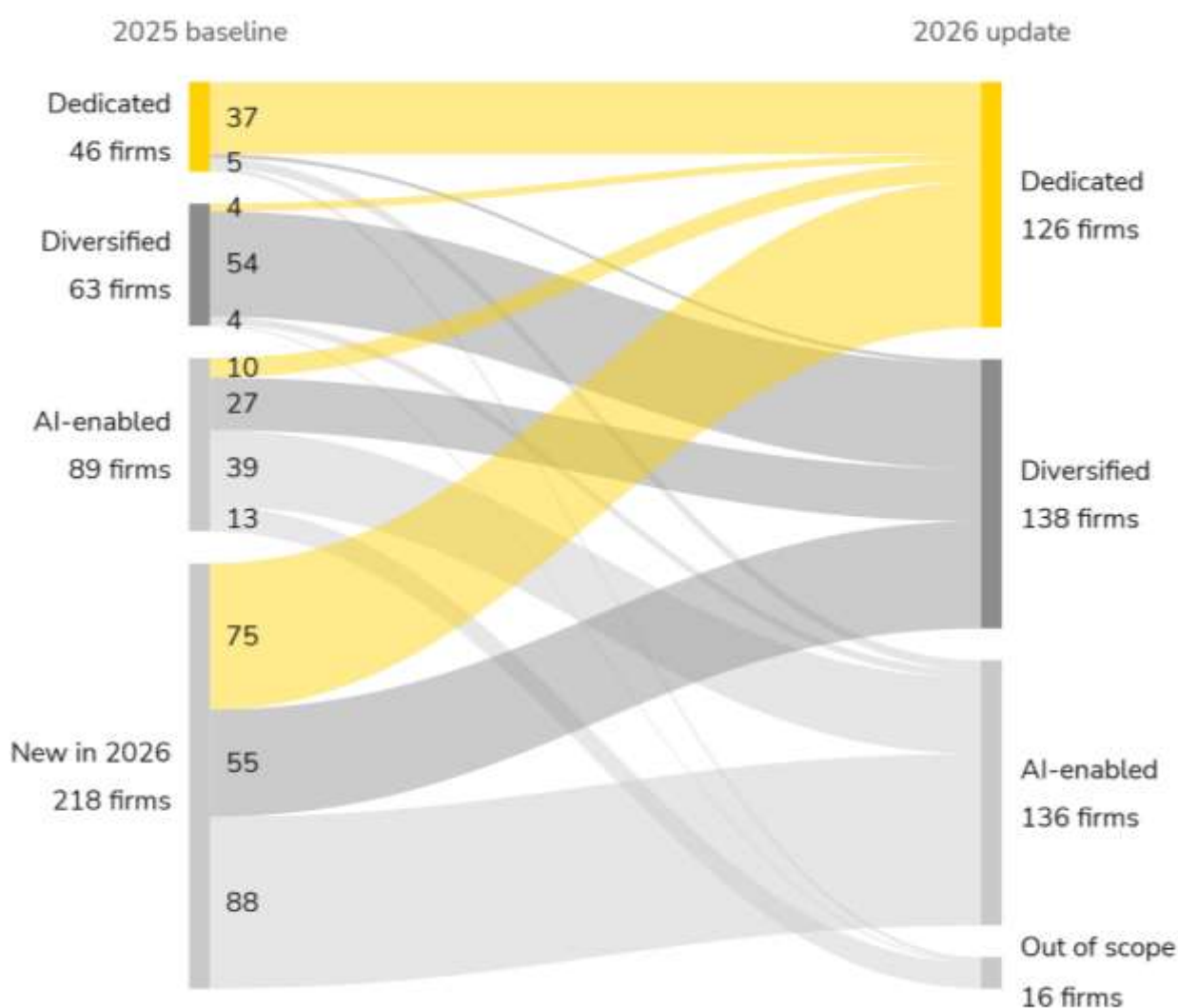
Source: Perspective Economics (n = 400 firms)

Review of AI-related companies active in Northern Ireland suggests that:

- **The count of companies active in the NI AI ecosystem has effectively doubled from 198 firms to 400 firms in the last year.** The majority of baseline firms remain active and in scope (182 firms), with 218 firms added into the scope of the study. This includes:
 - Newly registered companies (87 firms registered since 2024; the majority of which (67) are Northern Ireland founded firms);
 - Ongoing inward foreign direct investment projects in Northern Ireland, where new offices are set up, or where existing inward investment has increased AI-related activity (67 additional firms identified); and
 - Increased AI adoption, recruitment, or product and service activity (AI-related) among 64 other Northern Ireland headquartered firms registered prior to 2024 (e.g. local firms pivoting to AI use cases or embedding AI in solutions).
- **The largest growth in firm count is driven by ‘dedicated’ AI firms** i.e. the majority of newly registered firms and new investment projects appear to be focused on AI-related provision e.g. new AI products, infrastructure, or AI implementation and consultancy firms. This category has almost trebled from 46 firms to 126 firms; however, the majority of firms are either newly registered or micro in scope.

- **The diversified firm count has more than doubled from 63 firms to 138 firms in the past year.** This suggests increasing levels of AI-powered products and services among firms, or local firms increasing activity within AI-related teams (e.g. larger consultancy firms investing in 'Data and AI' advisory teams etc.).
- **The count of AI-enabled firms has also increased from 89 firms to 136 firms.** This is the smallest proportional increase; however, it still reflects a considerable increase in the time period. This captures firms with initial identifiable activity in the NI AI ecosystem e.g. early recruitment or initial investment in R&D or AI infrastructure. These firms can be harder to identify given limited coverage; however, this suggests growth among firms supported by initiatives such as the AICC Transformer Programme.

Figure 5.2 Change in company count by tier, 2025 baseline to 2026 update



Source: Perspective Economics analysis of 400 firms

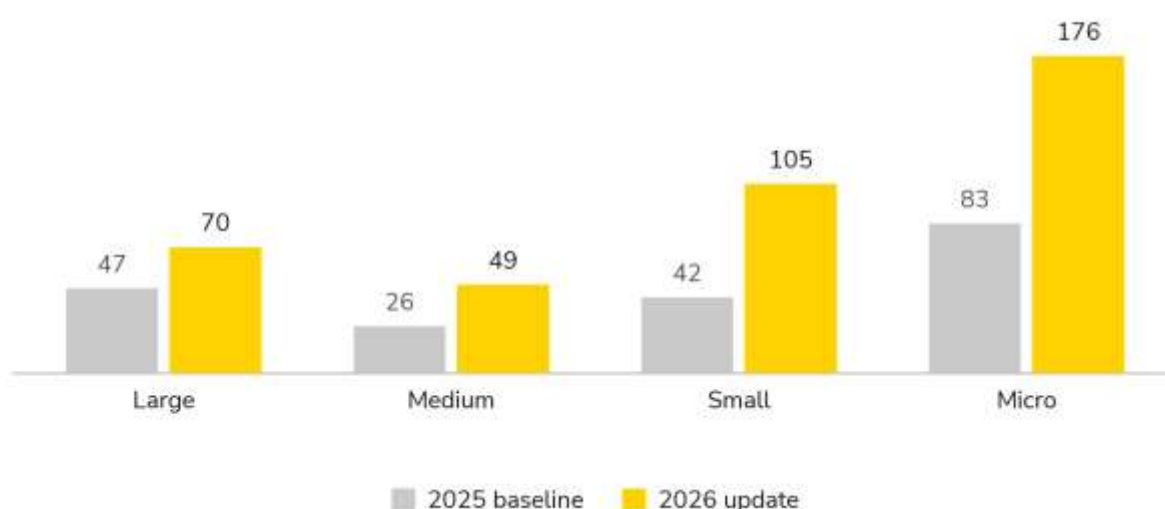
Size and AI maturity

The research team has continued to apply a full firm-level size marker against each of the firms identified, based on their overall global operations. This assists in helping to understand the proportion of the ecosystem driven by large, often multinational firms investing in AI capabilities, as well as growth among domestic SMEs.

We estimate that almost one in five firms in scope (18%, 70) are large firms (typically with 250+ employees globally). Of these large firms, the majority (87%, $n = 61$) are international firms with an FDI presence in Northern Ireland, demonstrating the importance of AI adoption and usage within firms that have invested and set up operations in Northern Ireland. This is a slight increase from the baseline study (where 83% of large firms were international firms with an FDI presence), potentially suggesting that larger inward investment projects have increased AI activity at a greater pace than locally founded large firms (albeit we note this is a small base). These factors are further explored in the employment and location analysis.

We also find 49 medium firms (12%, 50-249 FTEs globally), and 105 small firms (26%, 10-49 FTEs), highlighting adoption and deployment of AI for growth among mid-market firms. This includes 18 medium and 70 small NI headquartered firms, signalling potential to grow the local base. Further, we find that 176 firms are micro (1-9 FTEs), of which the majority (79%, $n = 139$) are NI headquartered. As shown below, we find growth in firm count across all size bands (through new incorporations and increased AI activity across a range of sectors). In relative terms, this is most concentrated among small firms (more than doubling from 42 firms to 105 firms), and micro firms (from 83 firms to 176 firms). This suggests substantial new activity among the SME base in Northern Ireland (small and micro firms have risen from 125 to 281), consistent with the UK study, which also suggests a near doubling in firm count in the last twelve months at a UK level.¹⁹

Figure 5.3 Number of AI companies by size band, 2025 and 2026

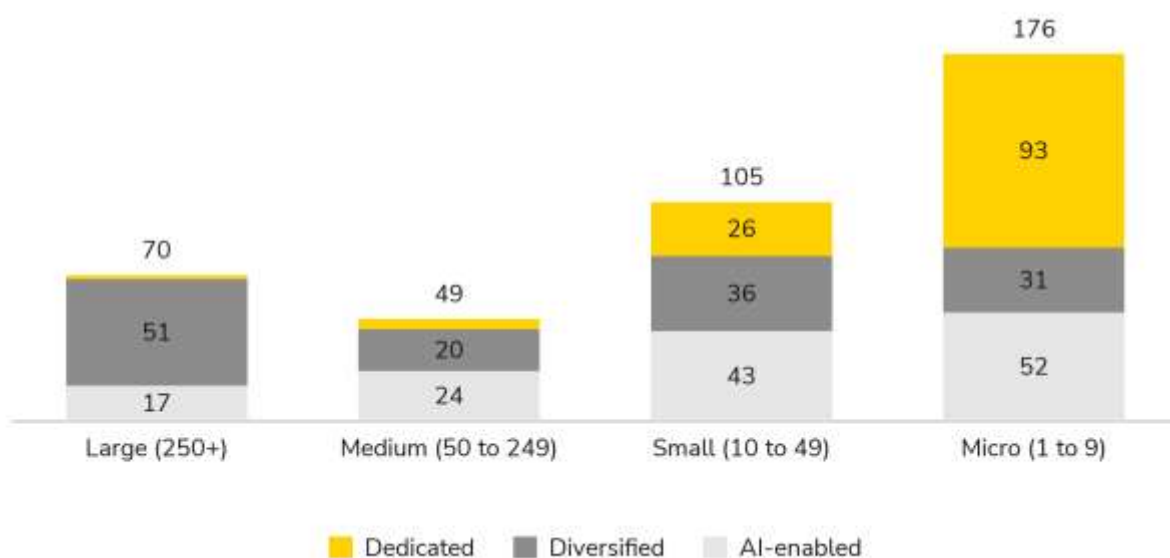


Source: Perspective Economics analysis of 400 firms

¹⁹ HM Government, Perspective Economics (2025) 'AI Sector Study'. Available at: <https://www.gov.uk/government/collections/artificial-intelligence-sector-study>

Figure 5.4 also explores the number of companies by size and AI tiered definition. As anticipated given firm composition and AI as a technology, the majority of larger firms active in Northern Ireland are typically embedding AI into wider existing products and services. We note that large firms have the highest propensity to be 'diversified' (73%, 51 of 70), suggesting that they have tangibly developed or embedded AI into a customer facing product or service. Among medium firms, this is more mixed, with AI-enabled activity (e.g. initial hiring or early-stage development of AI) slightly more common among this size cohort. This also applies to smaller firms; however, we note 26 small, dedicated AI firms within Northern Ireland, highlighting a growing group of companies scaling from micro to small in particular, with potential to grow further. Finally, the majority of micro firms are dedicated in scope, suggesting they are focused on AI product or service provision, but are early in initial growth and scale.

Figure 5.4 Number of AI companies by size band and tier, 2026



Source: Perspective Economics analysis of 400 firms

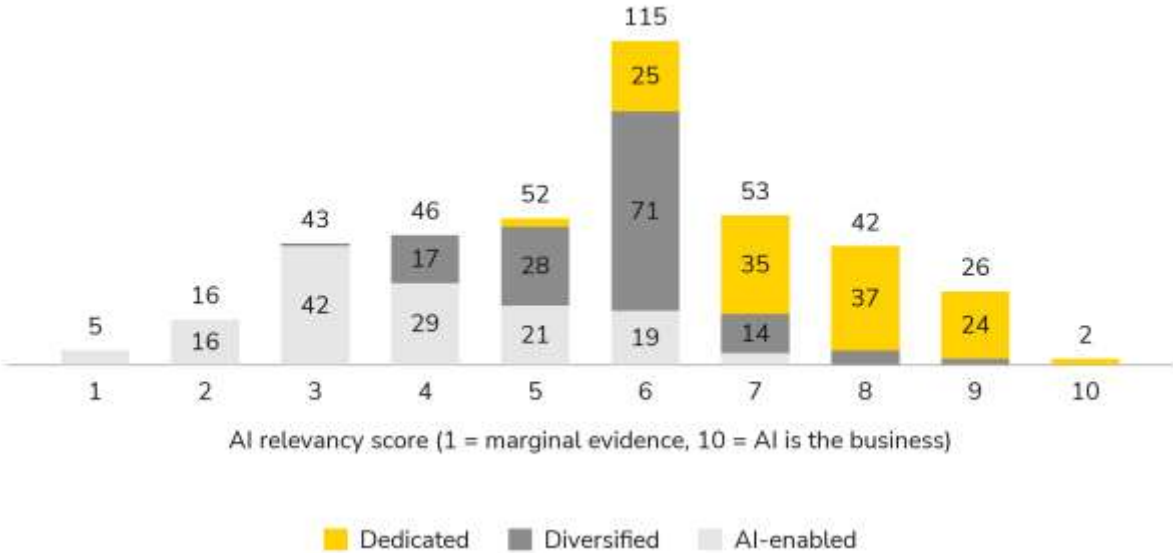
The research team has also reviewed extensive web and trading data for all companies in scope. This includes a firm-level AI relevancy assessment, whereby each company is scored on the strength of evidence that AI is material to its offer, drawing on a review of product and service descriptions, technical mentions, recruitment activity, and research engagement. This provides a distribution of scores used to inform the research team regarding whether the firm appears to be 'dedicated,' 'diversified' or 'AI-enabled' at an early stage. Dedicated (pure-play) AI firms will typically have the highest scores (e.g. 7 to 10 out of 10) where evidence is clear that the firm offers or develops AI solutions. We recognise some firms may be either early in developing AI solutions, or the firm may offer wider products or services and have traded long before AI adoption. Further, in many instances, we may find software or digital firms which have a commercially significant AI module, but this is not their initial or core value proposition. This scoring is used to inform the weight and scale of AI activity across the ecosystem based upon the data available (e.g. web review). It is not a judgement call regarding the maturity or technicality of each individual firm but rather informs an assessment of how Northern Ireland is positioned in relation to

emerging demand for AI skills, initial AI projects, increasing commercialisation and testbeds for AI, and where NI has its own deep technical expertise in AI infrastructure, tooling, and development.

Figure 5.5 sets out the ‘AI relevancy’ score for each firm where a higher score typically means the research team has been able to identify more evidence and strength regarding the firm’s relevance to an AI ecosystem study. In other words, we would expect that this serves as an initial proxy regarding AI maturity in that dedicated firms typically score higher (but some dedicated firms do appear to be early-stage and yet to fully evidence how they have successfully delivered AI products or services), and diversified firms are typically continuing to implement and adding AI features to existing products or services on an ongoing basis. Further, many of the early-stage AI-enabled firms include firms engaging with support such as that provided by AICC, where we identify this activity, partnerships, and initial recruitment for AI skills and projects.

We emphasise that this is based on web review and note that the depth of publicly available evidence varies by firm (where firms block web crawling, we rely on secondary data). Further, we note that some very new firms may be identified but in ‘stealth mode’ with low visibility, and we also note that site review has indicated that some early-stage firms have websites that can be AI generated, or make claims regarding product and service provision that may be unsubstantiated (e.g. AI advisory firms with a limited track record, or AI infrastructure projects that may not have yet been established). We control for these factors in a website quality marker prior to analysis; however, this highlights the breadth of firm type in the local ecosystem.

Figure 5.5 AI relevancy score distribution by tier, 2026



Source: Perspective Economics analysis of 400 firms

Employment

Across the 400 AI-related firms in scope, we estimate there are currently 2,402 full-time equivalents (FTEs) employed in AI-related roles in Northern Ireland as of August 2026. This is a Perspective Economics estimate. Estimates are available for 378 of the 400 firms; the 22 firms without an estimate are not imputed. It reflects the proportion of each firm's Northern Ireland workforce assessed as AI-related, rather than total firm headcount. For dedicated AI firms, we assume all employment in scope. For diversified and AI-enabled firms, the research team has reviewed web profile data using Lightcast, and headcount estimates have also been verified through direct consultation with larger employers in the region.

This estimate of 2,402 FTEs reflects a significant increase since the baseline report (1,340 FTEs in 2025, an increase of 79%). This is consistent with significant employment growth rates set out within the UK AI Sectoral Analysis. As with the firm count, part of the increase reflects employment growth and pivoting within existing roles, and part reflects additional identification of firms and associated AI-related employment. We note that this figure consists of:

- Baseline growth: 182 firms that remain active from the baseline have increased their estimated headcount to 2,064 FTEs (an increase of 54%); and
- New firms in scope of the study, which tend to be more early-stage with respect to AI employment, with 218 firms employing an estimated 338 FTEs (typically 1-2 AI employees per firm).

Review of employment data also suggests that AI employment remains concentrated among larger employers. Based upon the firm-level estimates, we find that:

- 46 anchor firms (those with 10 or more AI FTEs) account for 1,831 FTEs, approximately three quarters of all AI-related employment identified;
- 78 firms are emergent (3 to 9 AI FTEs), accounting for 380 FTEs; and
- 254 firms are early-stage (0 to 2 AI FTEs), accounting for 191 FTEs between them (noting some have a single founder but may not report any employment), which reflects the substantial number of micro and newly registered firms entering the ecosystem.

The ten largest employers account for just under half of all AI-related employment (1,121 FTEs), and the largest 25 firms for close to two thirds (1,553 FTEs). This concentration is a key feature of the Northern Ireland AI ecosystem, with a small number of anchor employers alongside a long tail of firms with one or two AI-related roles. The equivalent 2025 figure was 541 FTEs in the top ten firms (40% of the baseline total), so AI employment concentration has increased slightly.

Review of firms suggests that this may not necessarily be 'new employment' within firms, although we note sustained demand for AI professionals and skills among established firms, particularly in consultancy and finance. For example, this may include where a team previously worked as part of a company's 'Digital Transformation' team and have pivoted or rebranded their offering into 'Data and AI' provision. This means that as 'AI-related employment' increases as part of this study definition, it does not necessarily translate to new or additional employment at a local economy level.

By tier, we find that diversified firms account for the majority of AI-related employment (1,519 FTEs), ahead of AI-enabled firms (461 FTEs) and dedicated AI firms (422 FTEs). This highlights how dedicated AI firms are typically micro-scale in Northern Ireland, while the diversified tier contains several of the region's largest employers. It also indicates that a considerable share of AI-related work in Northern Ireland is being delivered inside firms whose primary business is something other than AI, and that much of the value is created by applying AI inside established firms rather than by initial AI adoption.

Figure 5.6 Estimated AI-related employment by tier, 2025 and 2026 (FTEs)

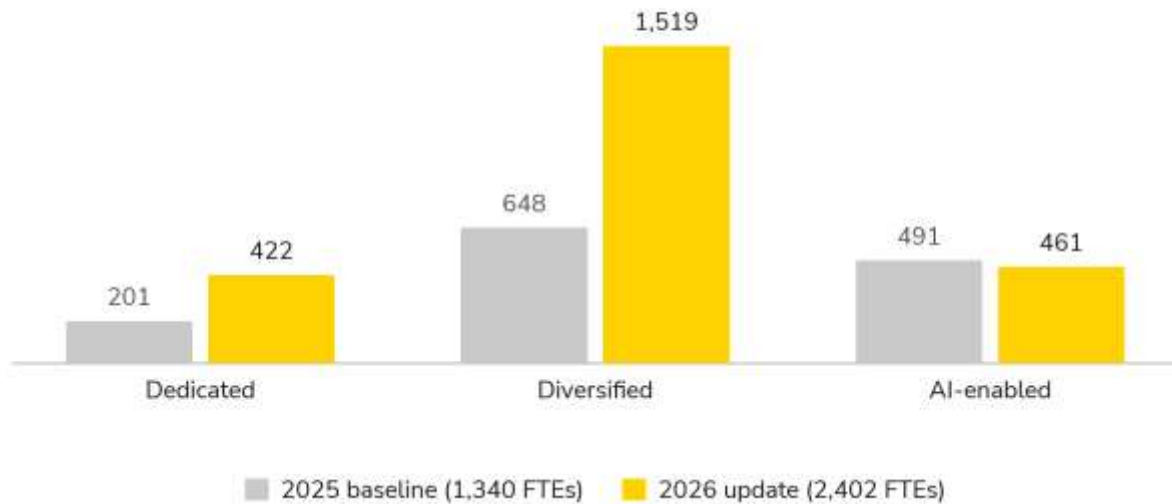


Figure 5.7 Estimated AI-related employment by size band, 2025 and 2026 (FTEs)

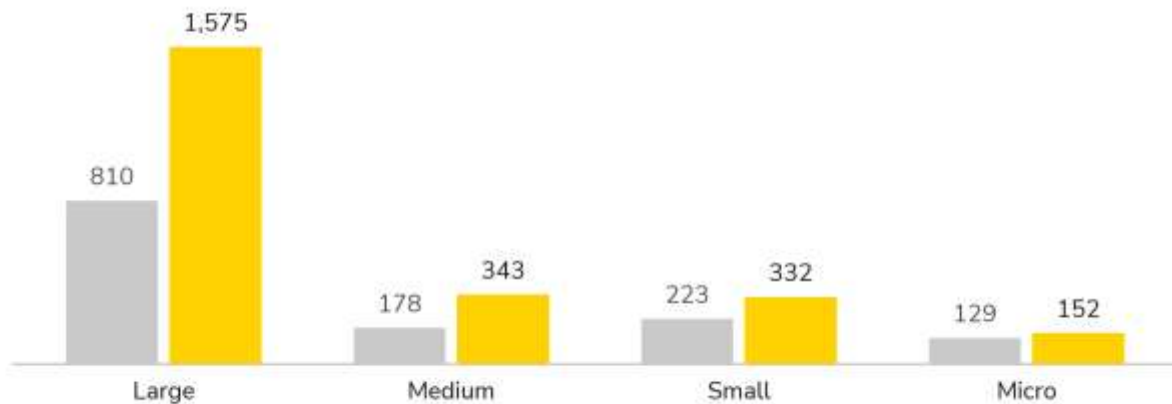
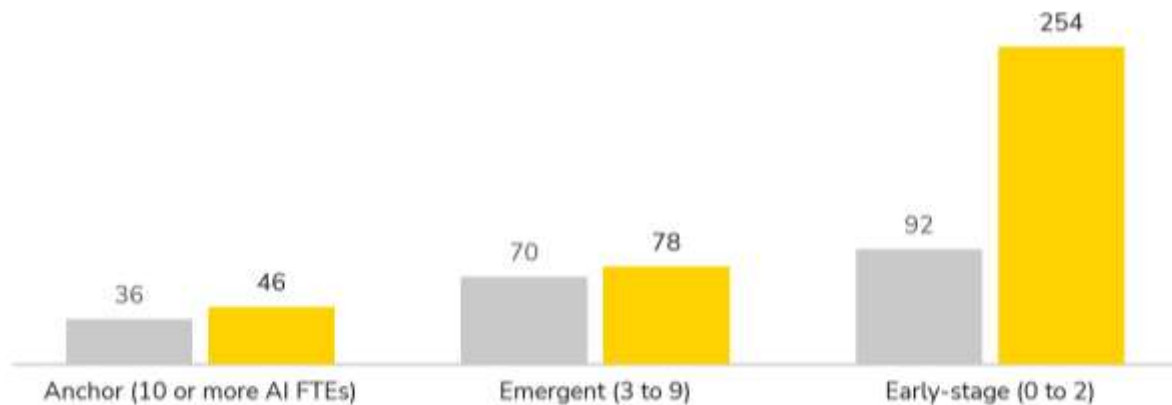


Figure 5.8 Firm count by level of AI-related employment, 2025 and 2026



Source: Perspective Economics analysis of 2,402 AI-related employees

Revenue and GVA estimation

An initial review of national AI Sectoral Analysis data (developed by Perspective Economics) highlights that AI firms identified and registered within Northern Ireland (n = 110) contributed a combined £105m in AI-related revenue and £51m GVA across 579 FTEs, effectively doubling since the previous baseline. However, this remains an underestimate of regional employment and reflects the higher proportion of small and micro firms that do not file full accounts. As such, this Capability Census provides a direct regional estimate for AI-related revenue and GVA based upon the reviewed regional headcount of 2,402 FTEs. At a Northern Ireland level, GVA per AI FTE is estimated at £89k in 2026, up from £61k in the baseline. Whilst lower than UK levels, this suggests increasing productivity (as measured through remuneration and profitability) within firms. This is particularly likely to be driven by pay levels for AI roles within wider diversified firms in Northern Ireland. Further, review of Lightcast vacancy data suggests that in H1 2026, median advertised salaries for AI professional roles in Northern Ireland were approximately £61k.

Applying known values, and estimated revenue and GVA per AI FTE ratios to the employment estimates, we estimate that AI-related activity in Northern Ireland generates £434m in revenue and £214m in Gross Value Added (GVA) as of 2026. This demonstrates significant growth from the £188m in revenue and £82m in GVA published in the 2025 baseline study (on a 2024 basis), and the GVA estimate has already exceeded the initial 2028 projection set out within the baseline. This reflects a substantial increase driven by two compounding effects: namely, a larger identified workforce as larger firms have expanded AI and data science teams, and a higher estimated Gross Value Added per FTE as the composition of the ecosystem has sustained established employment, new products, and higher value activity.

Please note that the research team notes that the Gross Value Added estimate is a better estimate of sectoral economic activity, particularly given it reflects productivity among the local workforce. Revenue estimation is a more challenging estimate for Northern Ireland, as several larger firms with a Northern Ireland office may operate using internal transfers (e.g. a US firm where its NI entity focuses on software development and does not tangibly 'bill revenue' but supports the operations of the parent entity). As such, revenue estimates should be treated with caution.

We note that Northern Ireland's productivity ratios remain below the UK equivalents with GVA per AI FTE approximately 62% of the estimated UK level (44% in 2025). This gap has narrowed, which is consistent with maturing adoption in the ecosystem, but we would expect this gap to persist given the volume of larger firms within the UK AI ecosystem.

Review of the firm-level data suggests that:

- Diversified firms account for an estimated £135m of GVA, reflecting their share of AI-related employment, and AI-enabled firms account for £41m of GVA;
- Dedicated AI firms account for an estimated £38m of GVA, despite representing close to a third of all in-scope firms. This means that the 'average' dedicated AI firm in Northern Ireland represents approximately £300k in GVA, highlighting that many of these firms remain pre-revenue or early-stage; and

- This also suggests that the economic contribution of diversified and AI-enabled firms is more than four times the GVA of the dedicated tier in Northern Ireland.

On this basis, the mid-range scenario set out in the 2025 baseline i.e. AI-related GVA reaching £200m by 2028, supported by more than 2,000 AI professionals, has been met two years early. Both components have been exceeded, as estimated GVA stands at £214m and AI-related employment at 2,402 FTEs.

However, we add two key considerations to this finding. Firstly, a substantial part of the increase reflects recruitment activity rather than underlying productivity growth, as the ecosystem has added AI-related roles at a pace well ahead of the scenario's assumptions, and value can be attributed to this employment. Secondly, much of the increase may reflect diversified firms reclassifying or rebadging existing roles as AI-related as the technology has moved into the mainstream of consultancy and software delivery, rather than creating wholly new activity. The direction of travel is clear and the scale of the ecosystem is materially larger than the baseline anticipated, but the milestone should be read as evidence of increasing absorption of AI into existing firms as much as of new AI capability being built.

Figure 5.9a Estimated AI-related revenue and GVA, 2025 baseline and 2026 (£m)

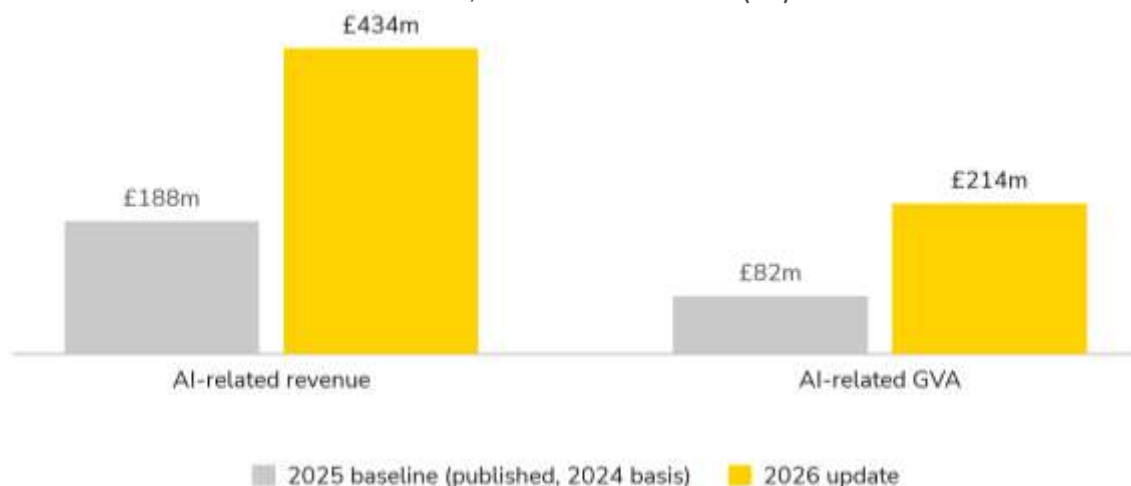
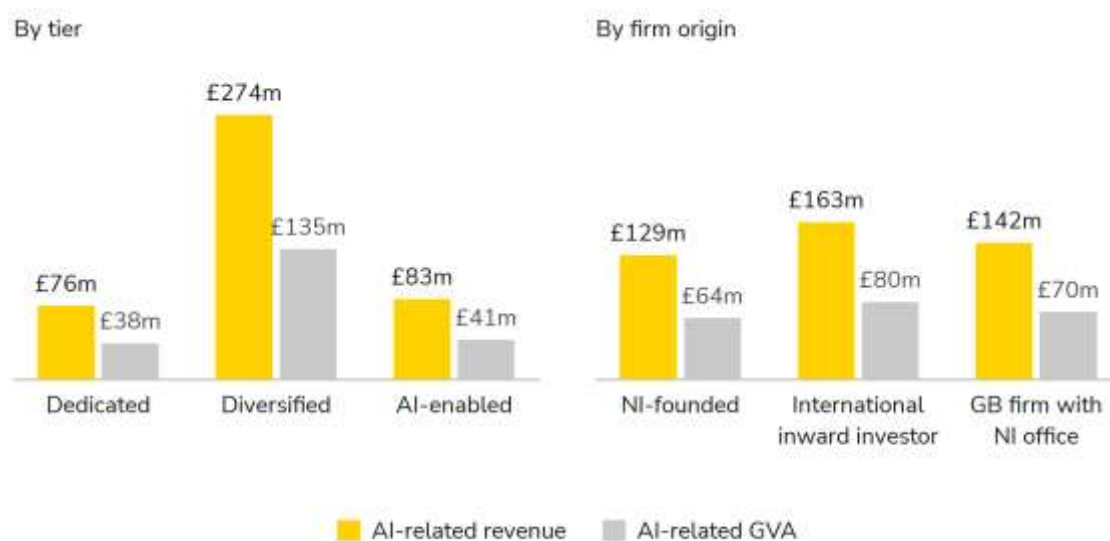


Figure 5.9b Estimated AI-related revenue and GVA by tier and by firm origin, 2026 (£m)



Source: Perspective Economics estimate applying revenue and GVA per AI FTE ratios (£180,663 and £88,919) to the employment estimates; 2025 = published baseline (2024 basis).

Location

The research team has identified multiple registered and trading addresses for the 400 firms in scope of this study. This includes where companies are headquartered in Northern Ireland, the United Kingdom, or internationally. It also includes office level locations for international firms operating in Northern Ireland e.g. the Belfast office with identifiable AI-related employment for a United States headquartered firm.

Overall, we find that an estimated 236 firms (59%) can be considered 'indigenous' or 'local' to the NI ecosystem. These are firms that have been founded or headquartered in Northern Ireland. This includes a range of early-stage AI startups, as well as several established local firms building out their AI operations and teams. Collectively, these firms employ an estimated 714 individuals (30%) in AI-related roles.

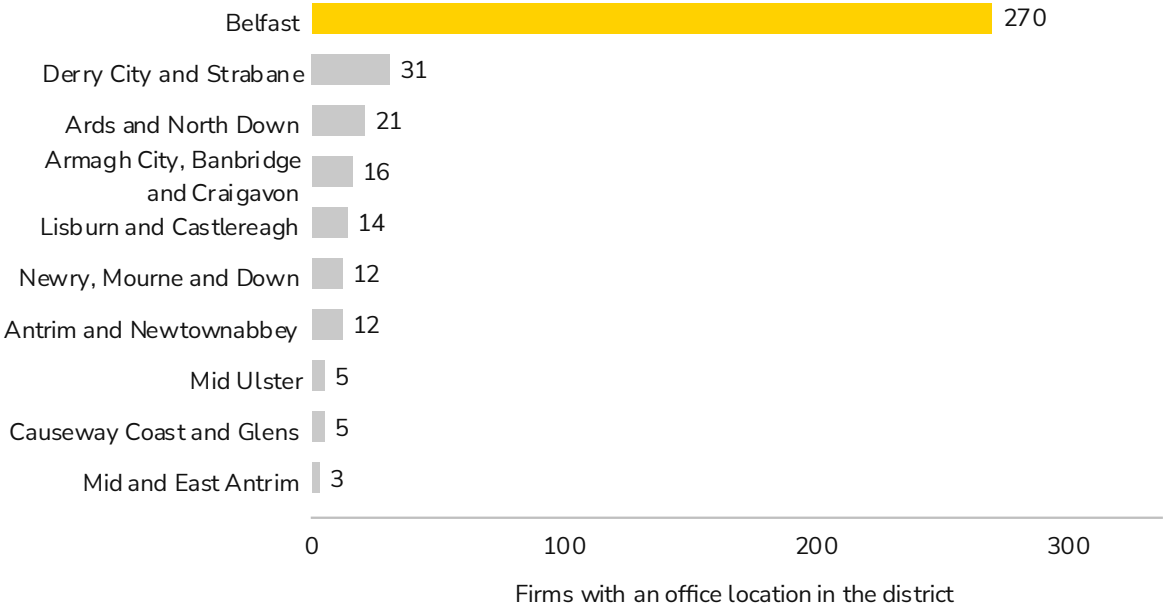
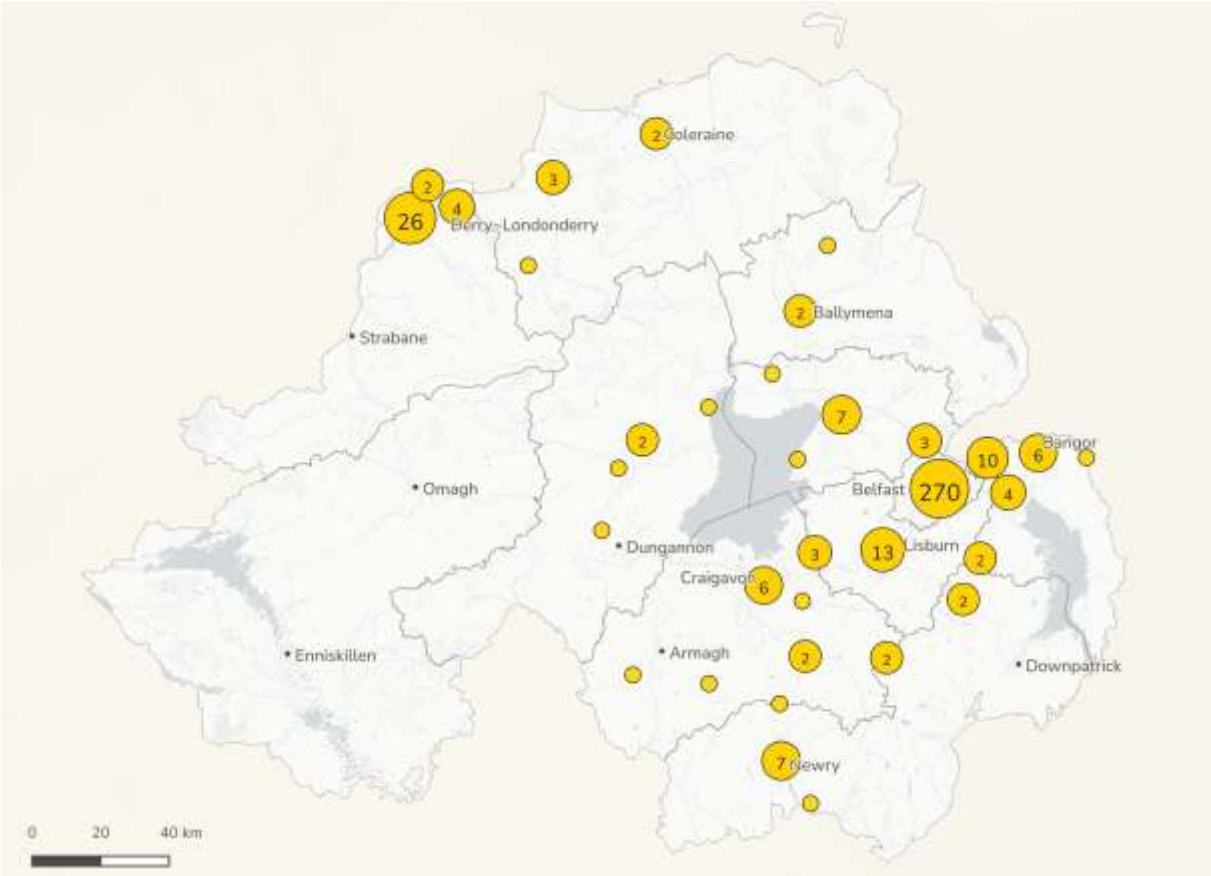
Of the 236 NI headquartered firms, we find that almost two thirds (65%, 153) appear to export to international markets, with a further 28 selling UK-wide, meaning that over three quarters (77%, 181) sell beyond Northern Ireland, signalling a sustained internationalised market. We also find that the remaining 164 firms (41%) can be considered 'international' or 'external' (i.e. firms founded or headquartered outside of Northern Ireland). This includes 66 firms from the United States, 47 firms from the rest of the UK, and 15 firms from Ireland. Other countries with activity include firms based in India (5), and France, Japan, Canada, and Australia (4 each), alongside Poland (3), Sweden (2), and single firms headquartered in Germany, the Netherlands, Denmark, Spain, Austria, South Korea, Malaysia, Sri Lanka, New Zealand, and Vietnam.

Several of these firms have an established presence in Northern Ireland, driven by prior growth in FDI within sectors such as software, cyber security, and professional services. For many of these firms, there has been visible demand for new roles in areas such as AI assurance, security, adoption, and transformation. Collectively, these firms employ an estimated 1,688 individuals (70%) in AI-related roles.

AI activity in Northern Ireland remains strongly concentrated in the Greater Belfast area. We find that 270 of the 400 in-scope firms (68%) have their principal Northern Ireland office in the Belfast area, and account for approximately 87% of estimated AI-related employment. Eleven firms have a hiring presence but no physical office; they could not be assigned to a council area on a postcode-district basis and are excluded from the geographic analysis (principal office by BT postcode district; PE estimate). This represents a modest broadening since the baseline, when 73% of firms and 89% of employment were located in Belfast. The direction of travel is positive from a regional perspective, but the change is small, and Belfast's AI-related employment remains the key driver in the NI ecosystem. The concentration is more pronounced for employment than for firm count, which reflects the location of the largest anchor employers rather than the distribution of smaller firms.

Outside Belfast, Derry City and Strabane is the largest cluster with 31 firms, followed by Ards and North Down (21 firms) and Armagh City, Banbridge and Craigavon (16 firms). The position of Derry City and Strabane is of particular interest given the AICC's presence and delivery activity in the North West and is an area we recommend tracking specifically in future waves. We note that whilst some early AI projects and start-ups were identified in areas such as Fermanagh and Omagh, these were not matched to Companies House entities, and no firm is currently mapped to Fermanagh and Omagh. Activity also remains limited in areas such as Mid Ulster, Causeway Coast and Glens, and Mid and East Antrim.

Figure 5.10 Office locations of in-scope firms and firms by council area, 2026



Source: Perspective Economics analysis of Northern Ireland level office locations. These may sum to more than the number of firms where firms have multiple office locations.

Products, services, and sectors served

The research team has continued to review the capabilities of the AI ecosystem within Northern Ireland, exploring the products, services, and sectors served by the use of AI tools and infrastructure. In short, we explore how these firms tangibly engage with AI, and how they use AI to go to market. Taking a broad view of the AI ecosystem (as set out within the Definition and Taxonomy section) means that firms will interact with a wide range of technologies and use cases.

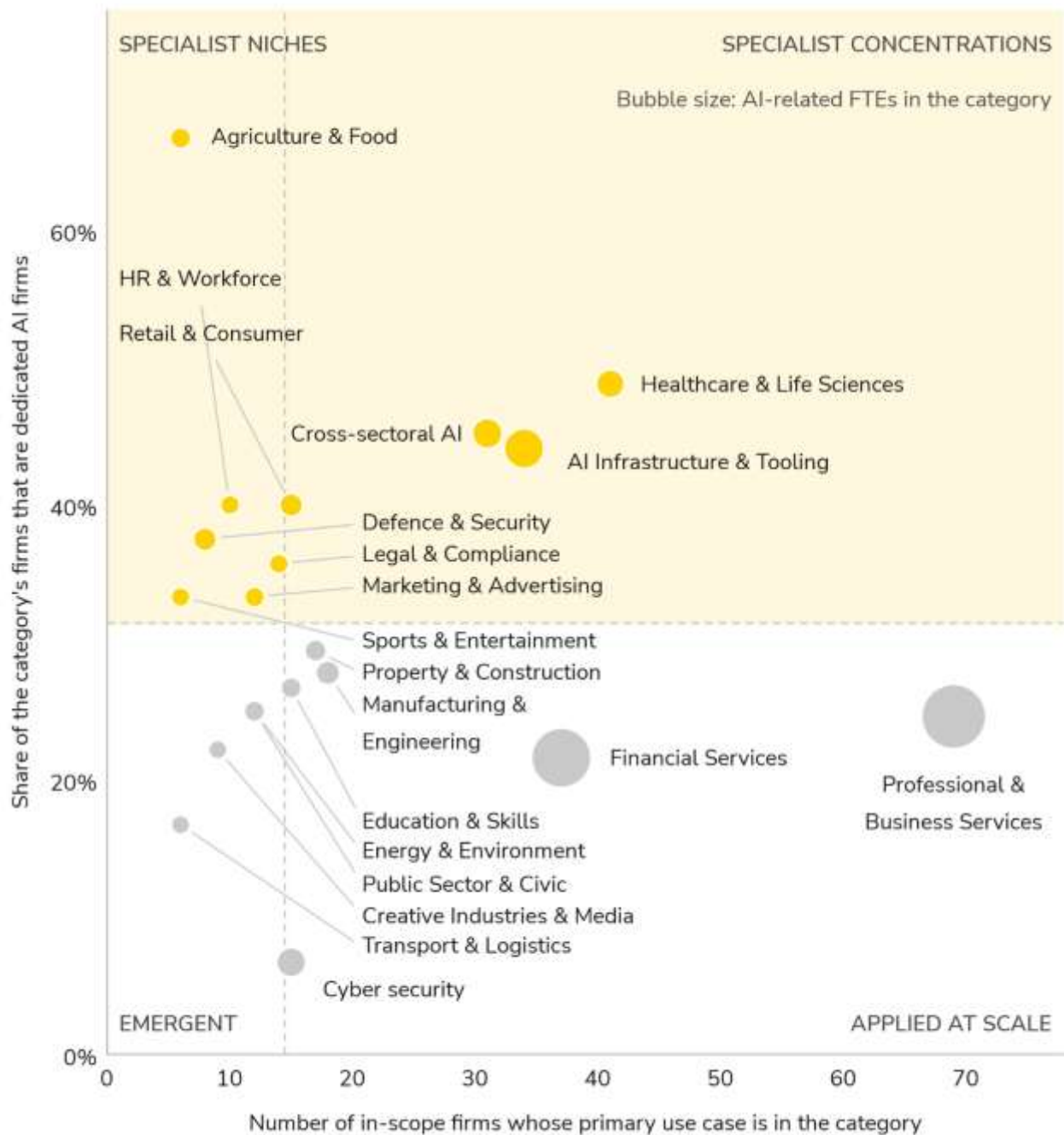
Further, these are continually being expanded in recognition that AI can be a general-purpose technology; for example, a firm using robotics and computer vision within a manufacturing plant should be in scope, as should a firm delivering AI enhanced solutions for enterprise platforms. Where possible, the research team has tagged firms according to products, services, and sectors served based on web and text data.

We set out the thematic findings below. These should be viewed as indicative based on the classification of this text data and assumes sufficient coverage regarding how firms articulate their AI-based offering to the market. Overall, we find emerging evidence of a diverse ecosystem with capability in developing horizontal (i.e. versatile tools that can be used across different business functions, e.g. software automation, communication, and marketing etc.) and vertical (specific sectoral tools e.g. diagnosis for healthcare) solutions.

Each in-scope firm is assigned a best-fit use-case category describing the market its AI activity primarily serves. 387 firms are assigned across 20 categories; the remaining 13 firms are active in the ecosystem through recruitment or infrastructure activity without a clear market-facing AI use case at present. Reading breadth (the number of firms in a category) against depth (the share of those firms that are dedicated AI companies) separates the ecosystem into four distinct groups, shown in Figure 5.11.

- **Specialist concentrations** combine scale with depth. As set out in the baseline, Healthcare and Life Sciences is the clearest example, with 41 firms of which 49% are dedicated AI companies (e.g. PulseAI, Axial3D), followed by AI Infrastructure and Tooling (34 firms, 44%) and Cross-sectoral AI applications (31 firms, 45%);
- **Applied-at-scale** categories contain most of the AI-related employment in Northern Ireland but comparatively few dedicated firms. This includes Professional and Business Services with 69 firms and 769 AI FTEs, and Financial Services 37 firms and 647 AI FTEs, but only around a quarter of firms in each are dedicated AI companies;
- **Specialist niches** are small in firm count but disproportionately dedicated, including emerging AI specialisms in areas such as Agriculture and Food (6 firms, 67% dedicated, e.g. CattleEye, Bia Analytical), Defence and Security (8 firms, 38%) and Retail and Consumer (15 firms, 40%); and
- **Emergent** categories are those where AI is being applied but has not yet generated signs of significant volumes of dedicated provision such as firms supporting Public Sector delivery, Energy and Environment, and Transport and Logistics. Cyber security also accounts for 15 firms and 107 AI FTEs, but we note that only one firm in the category is considered a dedicated AI company. Given the established strength of the Northern Ireland cyber security sector, this suggests AI is being adopted as a capability within existing cyber firms rather than a fully distinct AI-cyber segment (at least at present) though initiatives such as the Cyber AI Hub may help to increase this activity.

Figure 5.11 Areas of specialism: breadth against depth by use-case category, 2026



Source: Perspective Economics classification of the 387 in-scope firms with a primary use case; bubble size = AI-related FTEs; dashed lines at the medians (14.5 firms, 31% dedicated).

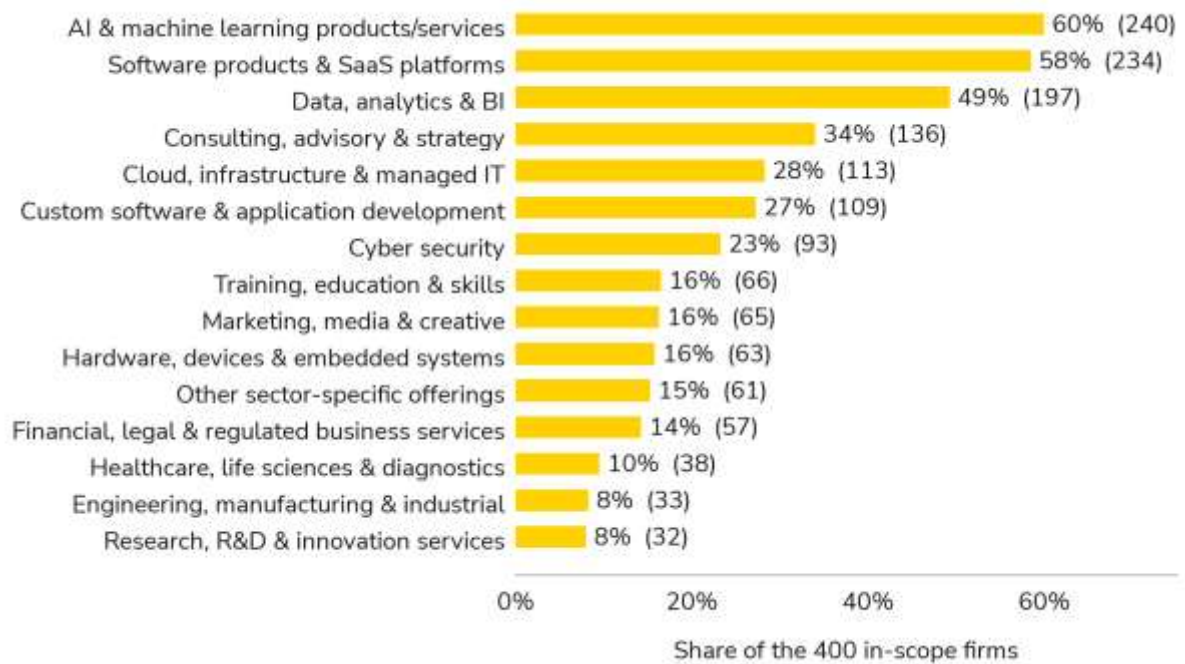
We recognise however, that best-fit assignment will understate the breadth of most firms. We assign 371 of the 400 in-scope firms with a secondary use-case category. This highlights that Cross-sectoral AI (e.g. firms supporting with AI implementation across sectors) is the best fit for 31 firms but is a secondary fit for a further 76, and AI Infrastructure and Tooling reaches 86 firms on the same basis.

The specialist niches are almost entirely indigenous; for example, the majority of AI firms in Agriculture and Food are Northern Ireland founded, as are 92% in Energy and Environment, while the categories carrying highest levels of employment are typically externally owned (e.g. in cyber security, AI Infrastructure and

Tooling, and Financial Services). This suggests that Northern Ireland's indigenous AI base is broadly targeting areas of specialism, while inward investment is responsible for much of the scale.

Looking across what firms say they sell rather than the market they serve, we find that AI and machine learning products and services (typically AI advisory and implementation) are offered by the largest share of firms, closely followed by software products and SaaS platforms and by data, analytics, and business intelligence work. Consulting, cloud and managed IT, and custom development each feature for up to a third of firms, consistent with the service-led composition of the diversified tier.

Figure 5.12 Product and service groupings named by in-scope firms



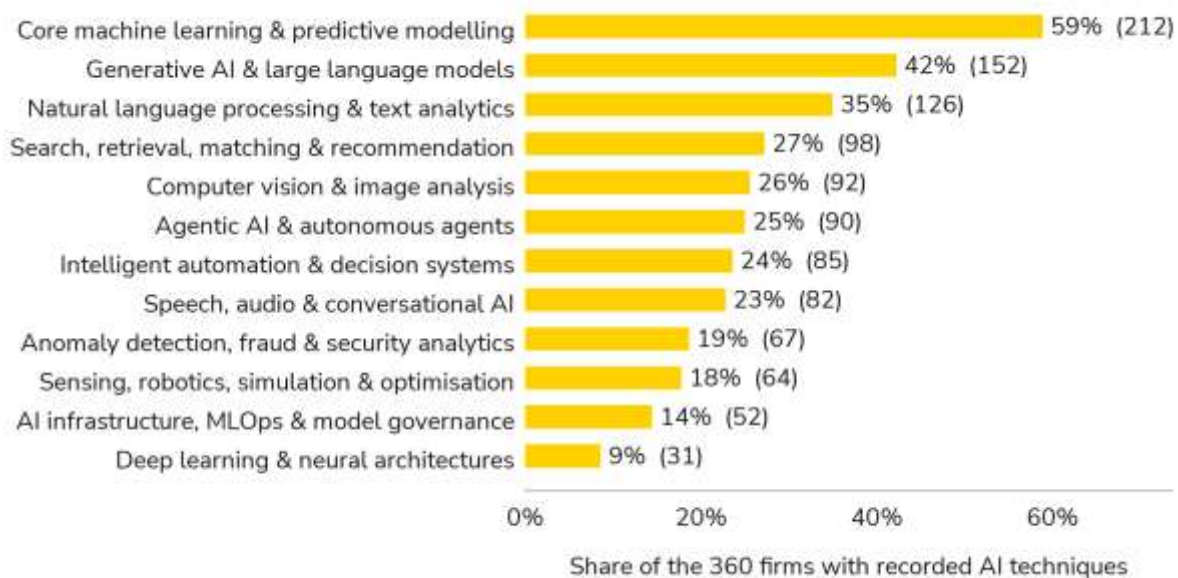
Source: Perspective Economics classification of web data; share of the 400 in-scope firms; firms can appear in more than one grouping.

Techniques, models, and platforms

Alongside the market a firm serves, the research team also explores web data to identify some of the AI techniques each provider cites using, and the models and platforms named. This provides a supply-side view of technical capability. The research team identified data for 360 firms and classified into twelve technique areas, with a platform entry recorded for 238 firms, of which 216 name an identifiable AI model or platform. This is indicative, and subject to how firms cite particular technologies (for example the initial core machine learning and predictive modelling may be driven by broader terminology). The technique profile is therefore broad rather than specialised:

- Core machine learning and predictive modelling remains the most widely evidenced area, cited by 59% of firms with recorded techniques;
- Generative AI and large language models follow at 42%, ahead of natural language processing (35%) and search, retrieval, and recommendation (27%);
- Computer vision (26%) and agentic AI (25%) are each evidenced across around a quarter of firms, with agentic approaches a new entrant relative to the baseline;
- Deep learning and neural architectures are named explicitly by only 9% of firms, which may reflect how few companies describe model architecture publicly as well as a more technical boundary for firms locally; and
- This data does also signal emerging capabilities or engagement with areas such as sensing, robotics, and simulation (18% of firms), and AI governance (14%), and using AI for practical use cases such as anomaly detection and tackling fraud (19%).

Figure 5.13 AI techniques cited by firms (web data)



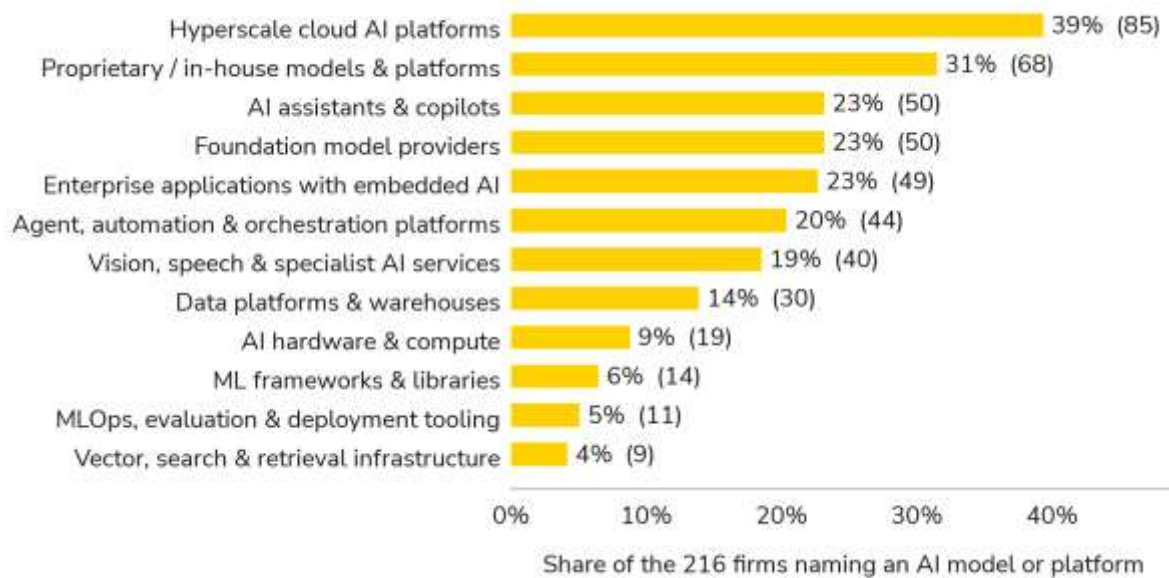
Source: Perspective Economics analysis (n = 360 firms citing technical capabilities)

On platforms, the ecosystem engages with a range of external providers with respect to AI models and capabilities. We find among AI firms in Northern Ireland, Microsoft is named by 60 firms, Amazon Web Services by 48, OpenAI by 41, Google by 38 and Anthropic by 31.

Frontier model providers are clearly present in the supply base, with a substantial share of Northern Ireland's AI provision built on models and infrastructure controlled outside the region.

However, we find 68 firms (31% of the 216 naming a platform) name a proprietary or in-house model or platform of their own. This is an emerging but early indicator of firms building technical assets and will be worth tracking directly in future waves; however, we note many of these tools may be reliant upon third party providers, and it will be worth exploring commercial, proprietary, in-house, and open source tooling with firms locally.

Figure 5.14 AI models and platforms named by firms (web data)



Source: Perspective Economics analysis (n = 216 firms citing an AI model or platform)

Capability signals

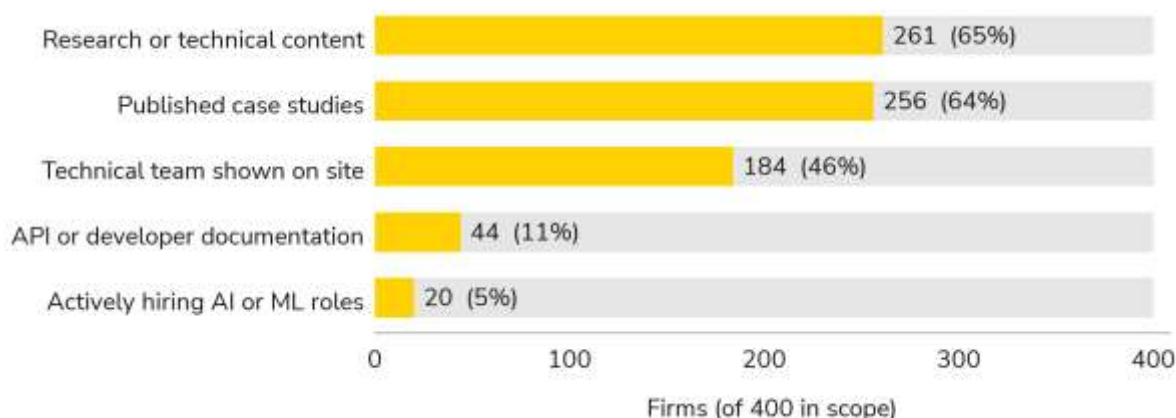
A recurring difficulty in AI ecosystem research is separating substantive capability from marketing claims. To address this, the research reviewed five signals for each firm:

- whether a technical team is identifiable;
- whether case studies, partnerships or customers are published;
- whether technical or research content is produced;
- whether API or developer documentation exists; and
- whether the firm is actively recruiting for AI or machine learning roles.

Whilst this is indicative, across the 400 in-scope firms, we find:

- 261 firms (65%) publish research, technical or engineering content;
- 256 firms (64%) publish case studies describing delivered work;
- 184 firms (46%) identify a technical team, of which 50 include a team mentioning machine learning or AI staff or skills;
- 44 firms (11%) publish API or developer documentation; and
- 20 firms (5%) were actively advertising AI or machine learning roles at the point of review.

Figure 5.15 Capability signals across the in-scope firms, 2026



Source: Perspective Economics analysis (n = 400 firms)

We note that published content and case studies are common and are comparatively easy to produce, whereas developer documentation and named technical staff are rarer and are harder to fabricate. The 44 firms publishing developer documentation are a reasonable proxy for product depth (one in nine firms).

Website authenticity was also assessed, partly to mitigate against the risk of template or low quality sites among newly registered firms. However, as this study requires a threshold (e.g. registration, clear trading presence etc), this proved to be a more limited challenge, where only 11 firms in scope had a minimal web presence. The growth in firm count identified in this study is therefore not inflated by insubstantial registrations at a Companies House level.

Investment raised

The research team has reviewed all firms within the Beauhurst platform, a leading tracker of investment and grants raised by high growth UK firms. This tracks firms receiving external investment from a VC or angel investor, securing grants from bodies such as Innovate UK, or classed as high growth, having grown by more than 20% a year for three years.

We find 40 dedicated AI firms and diversified firms with a high AI relevancy (15% of firms) have secured some form of external investment since incorporation. This compares to approximately one in four dedicated firms within the UK AI Sectoral Analysis. We do not include wider adoption on the basis that fundraising may not be attributed to AI activity.

Figure 5.16 highlights that since January 2024, these firms have raised 32 deals with a disclosed value of £158m. There are some signs of steady growth, with £42m raised across 11 deals in 2024 and £59m across 16 deals in 2025. In the first half of 2026, £57m has been raised across five deals, meaning that we expect 2026 could be a record year for AI investment in Northern Ireland. However, for context, we estimate that £6.3bn was raised across 917 AI fundraisings in the UK during 2025. Northern Ireland accounted for approximately 0.9% of that value and 1.7% of the deals, and the average Northern Ireland round was £3.7m against a UK average of £6.9m, suggesting an active but smaller base than the rest of the UK.

Figure 5.16 Equity raised by NI-founded dedicated and substantive-AI-division firms, by quarter, Q1 2024 to Q2 2026



Source: Perspective Economics analysis of Beauhurst data (extracted August 2026, deduplicated); deals to 17 July 2026.

We also note that this figure includes a £53.5m raise by Cloudsmith in Q2 2026, which accounts for 95% of the 2026 total to date. Cloudsmith operates a cloud-native artifact management platform and extended it to machine learning models and datasets, proxying models from Hugging Face into a customer's own environment under the same policy controls already applied to software packages. In April 2026 it announced a \$72m Series C led by TCV with Insight Partners, taking total capital raised to \$124m.²⁰ As such, Northern Ireland's investment statistics can be skewed by a small number of large rounds rather than a broad based increase in activity.

Whilst the sample size is small, we note that the largest 2024 investments included health and life sciences firms using AI, such as Axial3D (£16.5m across two deals), Cumulus Neuroscience (£11.1m) and SciLeads (£5.2m). In 2025 and 2026, investments are in areas such as software, defence, health, and utilities, with Cloudsmith, Whitespace (£10m), Eolas Medical (£8.9m) and StormHarvester (£8.4m) securing investment.

In the last two years, there have also been some notable early-stage investments, including PulseAI closing a seed round led by Innovation Ulster in January 2026²¹, Optik AI, Farmdrive and Foresight securing equity investment through Techstart Ventures; Srotas Health securing British Business Bank and SFC Capital support, and Tellme, AMPLY, and Bia Analytical also raising funding.

²⁰ Cloudsmith (2026) 'Cloudsmith Raises \$72M Series C Led by TCV and Insight Partners to Control and Secure the AI-Powered Software Supply Chain', press release, 23 April 2026. Available at: <https://cloudsmith.com/company/press/series-c>

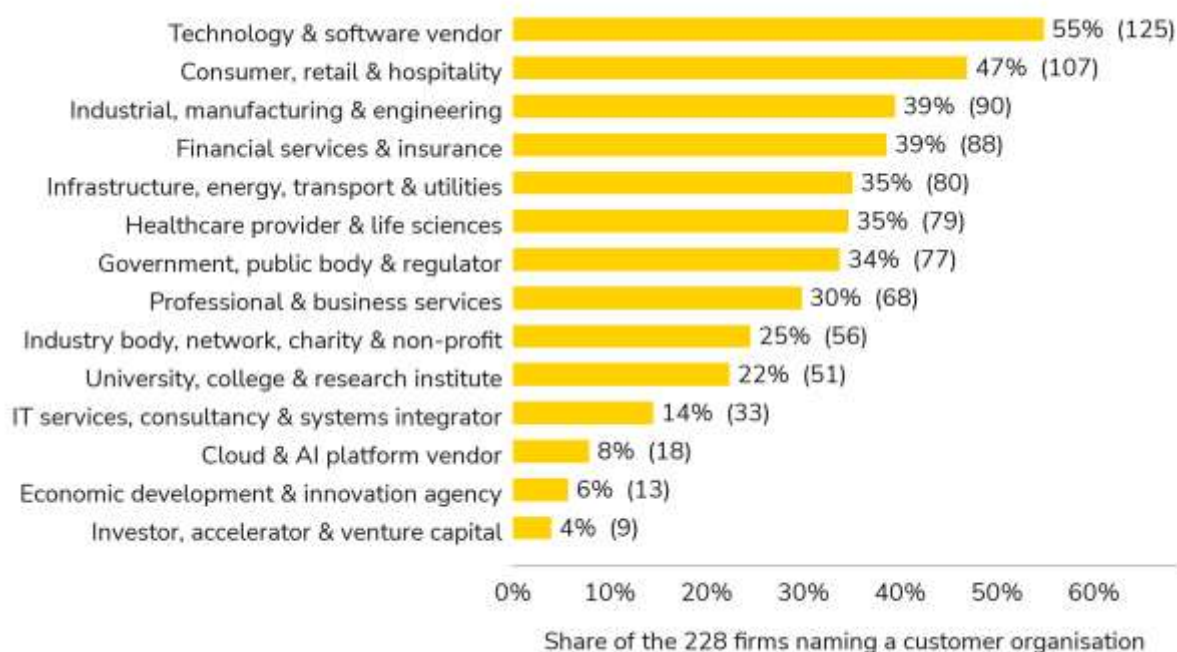
²¹ PR Newswire (2026) 'PulseAI Secures Seed Funding to Advance AI-Driven ECG Diagnostics', January 2026. Available at: <https://www.prnewswire.com/news-releases/pulseai-secures-seed-funding-to-advance-ai-driven-ecg-diagnostics-302658809.html>

6. Customers, partnerships, and supply chains

The research team has reviewed the firms in scope of this study to identify, where possible, where firms are mentioning partnerships, customers, and wider supply chains within the economy. This can provide valuable insight into the demand side (i.e. the organisations purchasing AI products and services), as well as market concentration or high levels of engagement on the supply side (e.g. where firms work closely with market infrastructure providers, universities, or certain client types). This is experimental analysis based on web data where available; however, it can provide insight into indicative partnerships and areas to further develop.

We find that 228 of the 400 in-scope firms identify or cite named clients for AI-related activity. This provides a demand-side view, in which the demand for AI is led by technology and software sectors, financial services, healthcare providers and the public sector, with universities appearing frequently as both customer and collaborator. Professional and business services firms also appear as customers of AI provision as well as suppliers, consistent with the consultancy composition of the diversified tier.

Figure 6.1 Organisation types named as customers by in-scope firms



Source: Perspective Economics analysis (n = 228 firms citing a customer or buyer in AI-related activity)

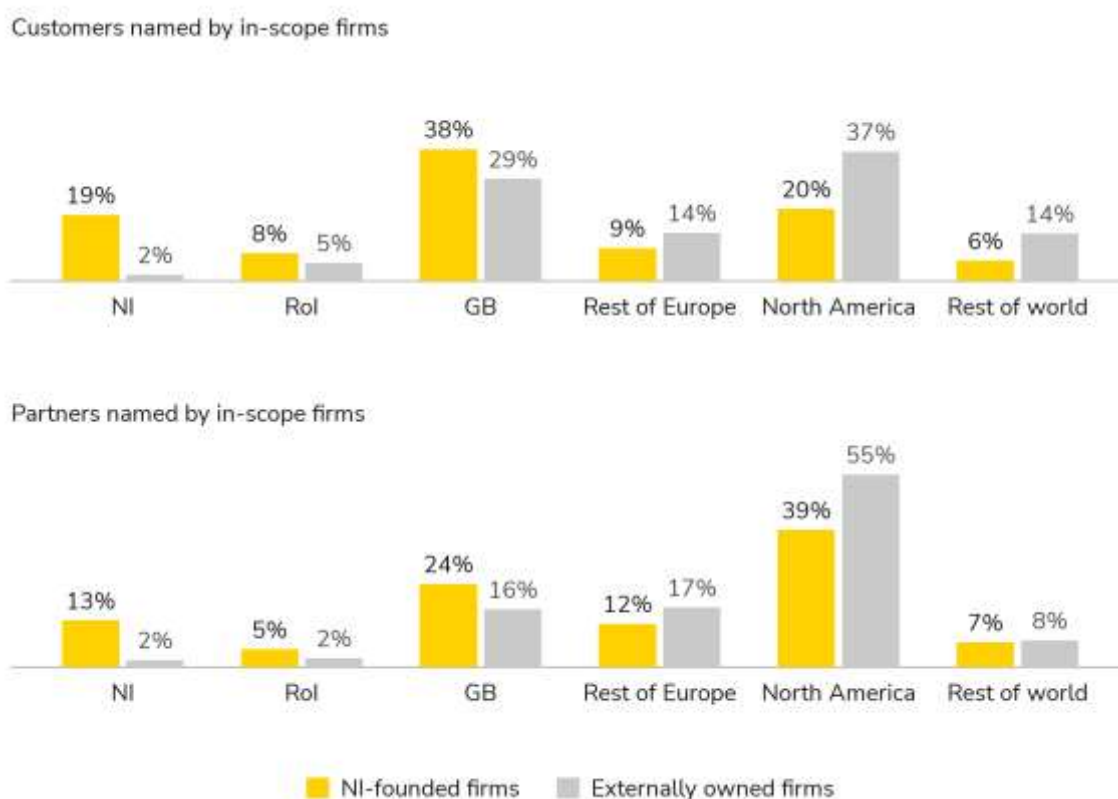
We note that the customer field is populated for 57% of in-scope firms, and that firms with established products may be more likely to publish customer case studies names than early-stage firms. Further, this may capture demand generated by firms with a Northern Ireland presence outside of the region. The demand side analysis should therefore be read as indicative of demand.

Among Northern Ireland founded firms that name customers, we find that 86% name at least one customer with a presence outside Northern Ireland. Great Britain appears to be the largest single market for local firms in respect of customer count (38% of their named customers), followed by North America (21%), while Northern Ireland accounts for 19%. For externally owned firms, North America accounts for 37% of named customers and Northern Ireland for only 2%.

This suggests that Northern Ireland's indigenous AI firms are focused on export and external sales, with Great Britain the primary market, or will sell globally. However, it also highlights a domestic customer base where local firms name 149 distinct Northern Ireland customer organisations compared to 26 named by externally-owned firms. This suggests that local suppliers serve local AI adoption, while local suppliers also meet demand through exports.

On adoption more broadly, the customers named by in-scope firms span financial services, healthcare, manufacturing, the public sector, and higher education, which indicates that AI procurement in Northern Ireland is broad on a sectoral basis (explored in further detail in Section 9).

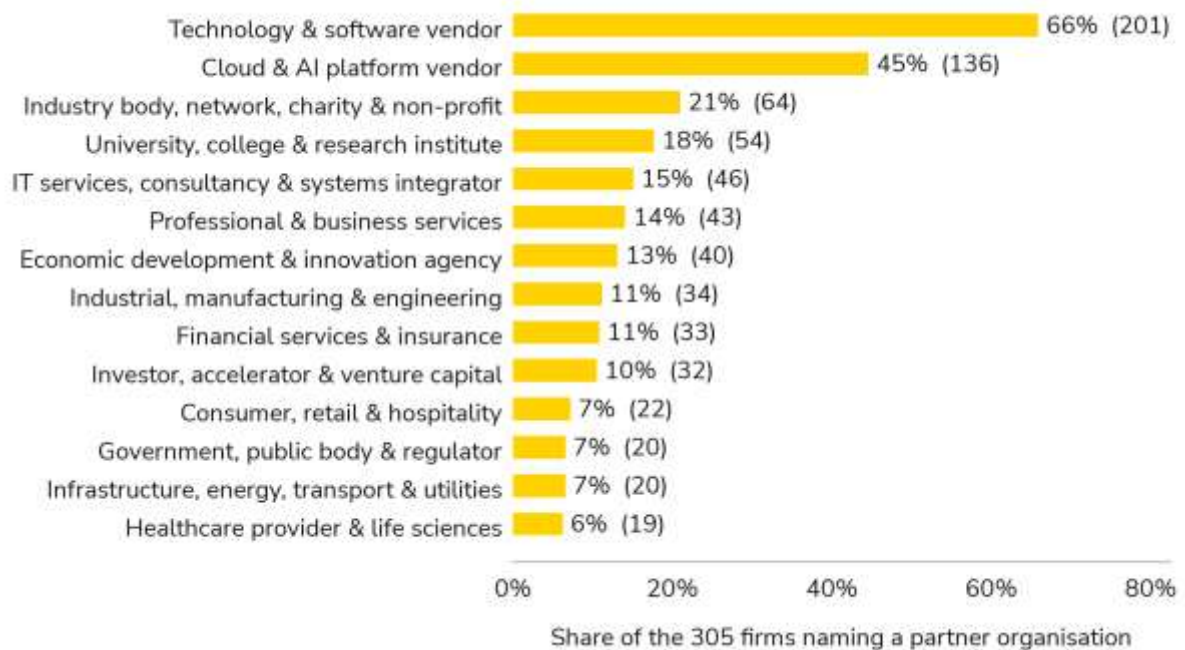
Figure 6.2 Where named customers and partners are based, by firm origin



Source: Perspective Economics classification of named customer (228 firms) and partner (304 firms) organisations by location; organisations of unknown location excluded.

Partnership activity was also identified for 304 of the 400 in-scope firms. This refers to where firms interact with other firms using technology stacks, or wider partnerships in areas such as research and innovation. These partnerships fall into three broad groups: technology vendors, academic and research institutions, and commercial partners. We find Microsoft is named by 82 firms in the ecosystem, reflecting deployment of tooling such as Copilot, followed by Amazon Web Services (62) and Google (46). We also find Queen's University Belfast cited by 43 firms, Invest Northern Ireland by 29 firms and Ulster University by 23 firms.

Figure 6.3 Organisation types named as partners by in-scope firms



Source: Perspective Economics analysis (n = 304 firms citing a partnership or collaboration in AI)

We set out some of the indicative partnerships below between firms working collaboratively in Northern Ireland in AI. These are drawn from published case studies and articles.

Hypership and Joulen

Hypership, a Belfast AI and software consultancy, ran a six-week engagement embedding AI-native working practices across the engineering and product teams at Joulen, the Belfast smart-energy software company. The work covered a discovery workshop, hands-on sessions with every engineering team, and a shared context repository of enterprise context, coding conventions, and curated skills. By week six, all of Joulen's engineers were using AI daily, working to a spec-driven approach with multiple coding agents in parallel. John Carroll, Joulen's COO, described the six weeks as transformative for how the teams work. *Source: Northern Ireland Chamber, July 2026*

GCD and Propertynews

GCD, a Belfast product engineering firm, built Liv AI for Propertynews, the Lurgan-headquartered property portal. The work spans three layers: an agent that categorises and indexes property uploads automatically, intent-driven search across more than 30 property attributes, and a conversational assistant handling enquiries and viewing bookings around the clock. Propertynews reports a 179% increase in property enquiries, a 62% increase in portal visits, a 22% increase in new customer sign-ups, and three days of administrative time saved each month.

GCD and PulseAI

In a two-week sprint, GCD built a proof of concept for PulseAI, the Northern Ireland medtech firm covered elsewhere in this section. The work took data from PulseAI's wearable monitor and presented it through an interactive dashboard designed for interpreting long-form ECG recordings, segmenting recordings for review, highlighting anomalies within the trace, and allowing clinicians to add missed detections or remove false positives. It is an example of the gap between AI detection and clinical usability being closed by a second Northern Ireland supplier.

Flax & Teal

Flax & Teal is a Belfast open-source data science and software consultancy based at Farset Labs. Its published client list includes Belfast City Council, for the Maritime Mile project, Open Data NI and the Office for National Statistics, alongside commercial clients including Deloitte and Big Motive. The firm holds ISO 27001 and Cyber Essentials Plus certification and won the OpenDataNI Innovation and Outreach Fund in 2020 and 2021. It is one of the clearer examples in the cohort of a local supplier working directly with Northern Ireland public bodies on data and AI work.

The Cyber-AI Hub at CSIT, Queen's University Belfast

Launched in 2023 and funded through a £19m UK Government investment from the New Deal for Northern Ireland via Innovate UK, the Cyber-AI Hub sits at the intersection of cyber security and AI. It funds a doctoral training programme of 15 PhD candidates, bursaries for 40 students on Queen's MSc programmes in Applied Cyber Security or Artificial Intelligence, and a technologies hub working with research-intensive companies on the security of AI including Rapid7, Angoka, Pytilia and Controlsoft.

Product and service updates since the baseline

The research team has also tracked where company products and services appear to have been updated since the baseline study. This includes where firms report new AI activity, such as a new AI product, or have added AI features, or have added a new AI service line. This will be tracked over time to explore maturity and depth. We find that AI firms active in Northern Ireland continue to evolve on a rapid basis, with our analysis suggesting over a hundred firms have evolved their AI offering in the last twelve months (as recorded through new citations or product or service examples). Please note this reviews firms with an active presence in Northern Ireland regardless of headquartered location; some of these solutions may have been built by teams outside of the region. These products and solutions are summarised based on web review at the time of writing²²; they may have since been updated.

- Black Duck offers 'Black Duck Signal', an agentic AI AppSec tool providing 'real-time code security analysis' powered by 'ContextAI', an underlying intelligence layer powering both AI and traditional AppSec tools using over 20 years of validated security data.
- Budibase launched its new Budibase Agents tool that deploys AI agents to 'handle requests, answer questions and take action' across a business' channels like Slack, Jira, Salesforce, and Microsoft Teams, with OpenAI and Anthropic integration.
- Camlin supports energy and grid intelligence through software applications with increasing real-time data and AI integration. This includes Sapient, the data management and machine learning platform underpinning Camlin's energy applications such as Asset Insights, and Theia, the rail analysis platform that automates condition assessment of rolling stock.
- Cloudsmith has added an AI model and dataset registry that proxies and caches Hugging Face and other model sources alongside standard packages, giving enterprises governance and security over their AI supply chain, and offering a 'secure, centralised store for AI artifacts and software packages.'
- Enzai has continued to develop its AI governance capabilities, including shadow AI and third-party discovery (detecting unsanctioned use of tools like Microsoft Copilot, OpenAI, Anthropic), and a compliance framework library mapping AI systems to multiple regulations and standards (e.g. EU AI Act and ISO 42001). Enzai's platform has evolved in response to areas such as agentic AI governance, with real-time analysis and management of agent sprawl, and third-party AI risk management.
- FinTrU is helping financial institutions build AI governance frameworks, risk models and centralised AI inventories to manage their own AI/ML adoption.
- Sonrai Analytics offers its Sonrai Discovery platform, powered by Fionn, which automates dataset summarisation, generates dashboards from natural language requests, and helps interpret findings.

²² The research team makes no representations regarding the accuracy, completeness, or suitability of the external websites or services listed herein. The inclusion of a provider does not constitute an endorsement or recommendation by the research team, nor does the omission of any provider imply disapproval. This list has been compiled from publicly available information and is intended solely for research purposes. The research team is not responsible for the content, availability, or accuracy of any external sites linked from this resource.

- Hurree offers 'Riva', an 'AI-powered analyst' with capabilities such as anomaly and trend detection, contextual suggestions, and predictive forecasting, positioning Hurree as an 'AI command centre' for business performance data.
- Imperva has launched 'AI Application Security' for securing GenAI applications, and 'Thales AI Security Fabric' for runtime security of agentic AI and LLM-powered applications.
- Instil has stated it has rebuilt its delivery model around agentic AI, with wider AI Transformation solutions, backed by a recently announced £6 million investment to triple turnover by 2028, alongside new AWS Advanced Tier Partner status awarded in March 2026.
- ISx4 builds and deploys specific AI agents for solutions such as scam detection, email triage, document translation, content generation and customer chat, and structured AI consulting stages (e.g. an AI and Analytics Readiness Review, Roadmap, Proof-of-Concept). They have also newly obtained ISO 42001 certification for responsible AI.
- Kpath has launched its 'Agent Management Platform (AMP)', a governance and enforcement control plane that monitors agent calls, enforces budgets and risk tiers, can stop agents mid-action, and provides audit trails across frameworks. It also advises in areas such as AI security and governance, MLOps, and agentic commerce, and is supported by partnerships with AICC, CSIT, and NVIDIA Inception.
- KX offers a vector database for AI (KDB.AI), GPU-accelerated 'AI agents', MCP server integration, and explainable ML surveillance alerts as core new AI-driven offerings for capital markets, alongside the 'KDB-X' (the 'next generation of kdb+') engine.
- Options offers 'PrivateMind', a 'secure, private AI infrastructure for financial institutions' letting clients 'run your own models, own your data, and stay fully in control'. This enables financial services firms to deploy NVIDIA GPU clusters at scale, with Iceland used for cost effective training, and London and New York for inference.
- Sensoteq produces wireless vibration and temperature sensors for industrial machinery, with the Analytix platform providing condition monitoring and fault diagnosis. The company positions its diagnostic capability around intelligent fault classification, with case studies highlighting how predictive analytics can save manufacturing clients from significant operational losses.
- PulseAI has continued to expand its algorithmic scale and scope (now trained on more than 15 million ECGs and capturing more than 100 detectable cardiac abnormalities). Its device integration includes smartwatches, ECG patches, and defibrillators.
- SciLeads has launched a Chrome extension called 'SciLeads Agent' for real-time contact and organisation intelligence and introduced an 'AI Partner Program', alongside its 'AWS GenAI Startup Partner' status.
- StormHarvester applies machine learning to wastewater network telemetry and rainfall data to predict blockages, infiltration, and pollution events before they occur. It has scaled significantly, closing Series A funding and expanding internationally into the US, Australia, and New Zealand, alongside a new Belfast HQ.
- Whitespace develops CollectiveOS, an AI platform operational in classified defence environments, including a generative AI knowledge management application deployed on a UK naval platform. In August 2025, the company completed a strategic partnership with Defence Holdings PLC covering sovereign AI infrastructure and applications.
- Wolfspeed explicitly frames AI data centre power infrastructure as an emerging application vertical for its silicon carbide (SiC) devices, including a case study with partner 'Amperesand' on medium-voltage solid-state transformers for 'AI factories'.

New entrants and investments in the Capability Census

This section explores firms newly captured by the updated census. This includes newly incorporated firms during the previous year, whilst others include established Northern Ireland businesses, or long-standing inward investors, whose AI activity has become substantial enough to bring them into scope. We set out a range of examples below. The remainder of the chapter also considers the role of substantial firms with a Northern Ireland presence (captured in previous waves) where AI-related activity and recruitment has expanded, scaled, and is increasingly relevant for positioning the local ecosystem in a global context.

AI-LED FIRMS FORMED IN THE LAST YEAR

Hypership, Belfast (founded 2026)

Hypership is an AI-native software consultancy founded by Kyle Davidson, previously Technical Director for AI at Kainos, and Shannon Holgate, previously Director of Software Engineering at Magnite. It embeds forward-deployed engineers inside client teams across rapid discovery and prototyping, end-to-end delivery, and AI enablement, the last of which transfers AI-native working practices into a client's own engineering and operations teams. Hypership has also developed 'vibe-check', an open-source tool that audits AI-generated codebases for production readiness across twelve domains including security, performance, accessibility, testing and compliance, and integrates with Claude Code, Cursor, Gemini CLI and Codex.

Upper Bound, Belfast (founded 2025)

Upper Bound is a spinout from the Centre for Secure Information Technologies at Queen's University Belfast, building AIDR, a security platform for autonomous AI agents. The company's argument is that conventional tooling such as web application firewalls and endpoint detection cannot see intent inside an agent's reasoning, which creates a blind spot as agentic systems proliferate. AIDR runs inside the agent's own environment, observing decision chains and tool use in real time to flag adversarial behaviour and policy violations, intervene by blocking a response or quarantining an agent, and generate an audit trail.

verif.ai, Bangor (founded 2025)

verif.ai builds an AI compliance layer that continuously audits staff access to electronic patient records. It builds a baseline of normal access behaviour by role and department to detect deviation, and analyses how and which records are opened, catching sequences that look statistically ordinary but are clinically inappropriate. The system scores every access event, surfaces anomalies, and generates investigation summaries for information governance teams. verif.ai is designed to integrate with the NHS's existing EHR landscape, including Epic.

Karb AI, Belfast (founded 2025)

Karb AI provides AI decision support for e-commerce brands and agencies running Meta advertising. It connects through the official Meta Ads API and reviews campaign, creative, audience and funnel signals against ad spend, then produces prioritised recommendations on what to fix, pause or scale. The company was founded by Karthik Bangalore Rajendra Prasad, a Queen's University Belfast MBA

graduate, and has drawn support from Invest Northern Ireland, Techstart, Innovate UK, Google for Startups and AWS Activate.

Arclyte, Hillsborough (founded 2025)

Arclyte is a trade advisory business working with economic development organisations and investment promotion agencies, including Innovation PEI, the Department for Business and Trade and the State of Georgia. It is collaborating with AICC and developing 'an AI-native international trade and economic development advisory platform,' intended to compress weeks of manual market analysis into minutes and to help agencies identify export ready SMEs and opportunity clusters.

Trillectra AI, Derry/Londonderry (founded 2025)

Trillectra AI offers bespoke generative AI solutions including chatbots and customer experience automation, document and knowledge automation, predictive and prescriptive business intelligence, and workflow automation, in addition to training programmes on data science, AI engineering and generative AI pathways. Its research areas include retrieval-augmented generation, agentic systems, MLOps, evaluation and safety, and responsible AI governance.

WIDER NORTHERN IRELAND FIRMS WITH INCREASING AI MATURITY

In addition to newly registered firms, the research team has also identified several local firms increasing AI adoption and implementation, offering bespoke products and solutions across a range of sectors and use cases.

Joulen

Founded in 2017, Joulen is a provider of flexible energy services. It has recently built PARIS, the Predictive Analytical Renewables Integration System, an AI platform that forecasts, optimises, trades and controls renewable generation and battery storage. This uses a machine learning forecasting engine that predicts site generation, site consumption and market value, and the platform can place trades across energy and flexibility markets. It has also partnered with German energy company SonneNext to develop the AI-powered energy management system (AI-leen) to help optimise domestic energy use and optimise home battery charging.

Foods Connected

Founded in 2012, Foods Connected provides supply chain management software to the food industry, covering compliance, safety audits, procurement, specifications and new product development, sustainability reporting, traceability and analytics. Over 8,000 suppliers use the platform, and named customers include Finnebrogue and Whitbread. Foods Connected has invested in AI enablement roles and has written extensively about its use of AI in tackling food fraud, and supporting traceability, compliance and reporting.

Craxel

In March 2026, Craxel announced its IT and operations hub in Belfast with Invest NI support. It has built Black Forest, a data infrastructure platform that indexes multi-dimensional datasets in constant time regardless of volume, positioned as knowledge infrastructure for AI-powered decision making. It indexes vector embeddings at speed and organises data as time series graphs so that analysts and algorithmic systems can query interconnected timelines in real time, with zero-trust security and searchable encryption built in.

CloudGuard

CloudGuard is a managed cyber security services business providing managed extended detection and response, CISO advisory, security posture assessment and Microsoft Sentinel and Defender consulting. Its detection and response offering runs on ANSEL, a branded AI virtual security analyst that triages alerts, enriches evidence, suppresses false positives, and escalates only genuine threats to human analysts. It recently expanded into Northern Ireland, and has also joined the CSIT Cyber-AI Hub programme.

Profit Isle

US headquartered Profit Isle operates a profit operating system that captures net profit at transaction level across customers, products, and channels. Its Profit AI module provides natural language access to that data, returning prioritised and explainable answers on profit drivers, with outputs traceable to the underlying data, logic, and assumptions. Profit Isle registered a Belfast entity in May 2026 and has recruited for a range of data science roles in the region.

Napier AI

Napier AI provides anti-money laundering and financial crime compliance software using machine learning, serving tier one banks. In February 2025, the company announced a Belfast Centre of Excellence, investing in software development, business analysis, and programme management roles.

AN EMERGING AI INFRASTRUCTURE SUPPLY BASE IN NORTHERN IRELAND

Within the past year the census has also identified firms supplying into AI infrastructure demand, including power, cooling, and storage for data centres, alongside frontier-aligned AI firms already present in the region and building further capability here. Whilst these firms do not necessarily develop AI models in Northern Ireland, their significance is that long-established local sites now supply the global AI build-out. We set out some examples below.

- **Vertiv** supplies power, thermal management, racks and monitoring for data centres and other mission-critical facilities. It has positioned its offer around powering and cooling the AI build-out, through the Vertiv AI Hub and the Vertiv 360AI range of pre-engineered power, liquid cooling and rack infrastructure sold specifically for AI and high-performance computing deployments, with NVIDIA as a named partner.
- **Seagate** has committed £115m over five years at its Springtown plant, supported by £15m from Invest Northern Ireland, creating 80 highly skilled roles. The investment funds development of next-generation drives (60TB and beyond) for the data centre market.
- In 2020, Titan IC was acquired by Mellanox Technologies, and the Belfast team became Mellanox's centre for advanced network intelligence research and development. **NVIDIA** subsequently completed its acquisition of Mellanox in the same year and has an R&D team in Belfast focusing on AI, machine learning, and cyber security research.
- **AMD's** Networking Technology and Solutions Group is expanding its data centre design teams in Belfast. The research team has identified several roles advertised in areas such as silicon design and architecting high-performance ASIC solutions for next-generation data centre networking.

7. Adoption and benchmarking AI in Northern Ireland

The previous sections of this report explore the supply side, i.e. the firms in Northern Ireland that build, sell, or embed AI in their products and services. This section considers AI within the wider economy and explores how demand for AI compares to the wider UK and regions.

The Office for National Statistics Business Insights and Conditions Survey (BICS) include recurring artificial intelligence questions with a regional response breakdown²³. We explore the three most recent waves, including Wave 147 (December 2025), Wave 153 (March 2026), and Wave 159 (June 2026). This helps to inform aggregate business adoption rates of AI, including types and extent of use, sentiment, and how AI is shaping business decisions.

Section 8 explores workforce supply and demand using Lightcast data. These sources collectively reflect proxy indicators regarding the wider ecosystem. We recognise each approach will have its own methodological strengths and weaknesses; however, these provide insight into adoption, supply, and demand at a regional level.

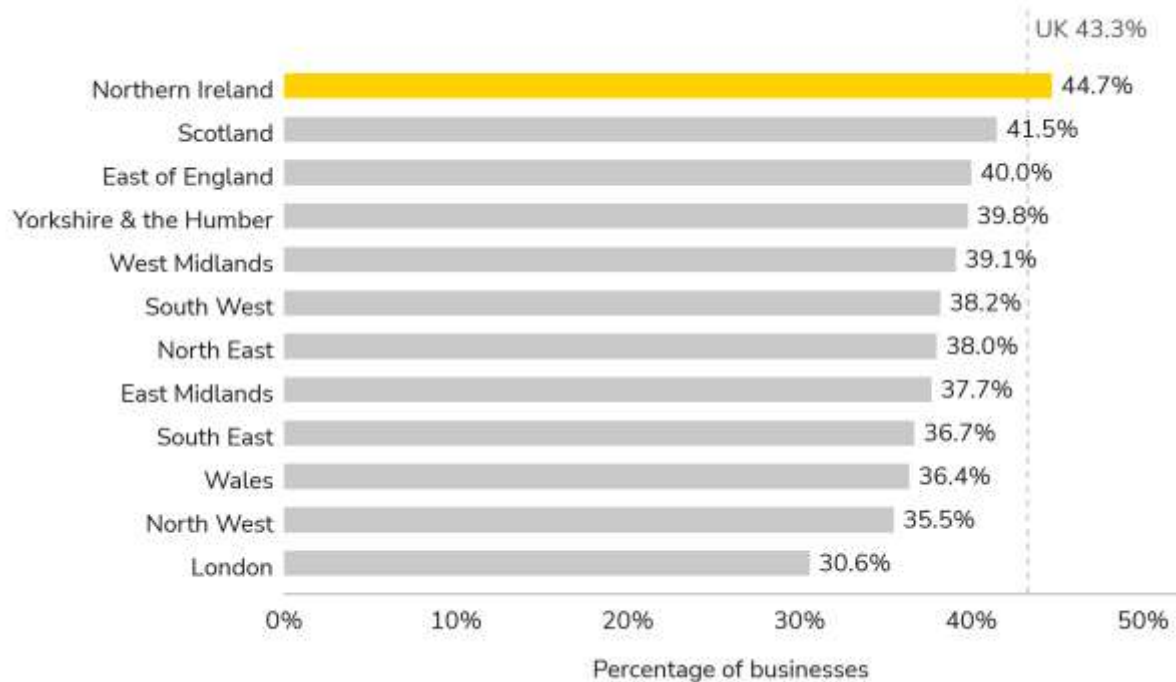
Business adoption of AI in Northern Ireland

The ONS Business Insights and Conditions Survey (BICS) collects feedback from a representative sample of almost 40,000 businesses from across the UK (VAT and/or PAYE registered) every two weeks, aimed to collect 'real-time' indicators regarding business trading conditions, supply chains, confidence, and operational performance. Every six waves it includes a series of questions regarding AI adoption, use, impact, and intentions.

In the most recent wave (June 2026), **44.7% of Northern Ireland businesses (117 of 262) reported that their business does not currently use artificial intelligence technologies**. That is the highest share of the twelve UK nations and regions (Figure 7.1). A further 16.8% (44 responses) were not sure. Taken together, under two in five (38.5%) of Northern Ireland respondents (101 of 262) named at least one AI technology in use, against 41.4% for the UK.

²³ We note that sample sizes within the ONS BICS can be small at a regional level (with Wave 159 including 262 Northern Ireland level unweighted responses, of which c. 145 report to use AI). Some of the questions can also vary across waves and are not necessarily time-series bound.

Figure 7.1 Businesses not currently using any AI technology, by nation and region, June 2026



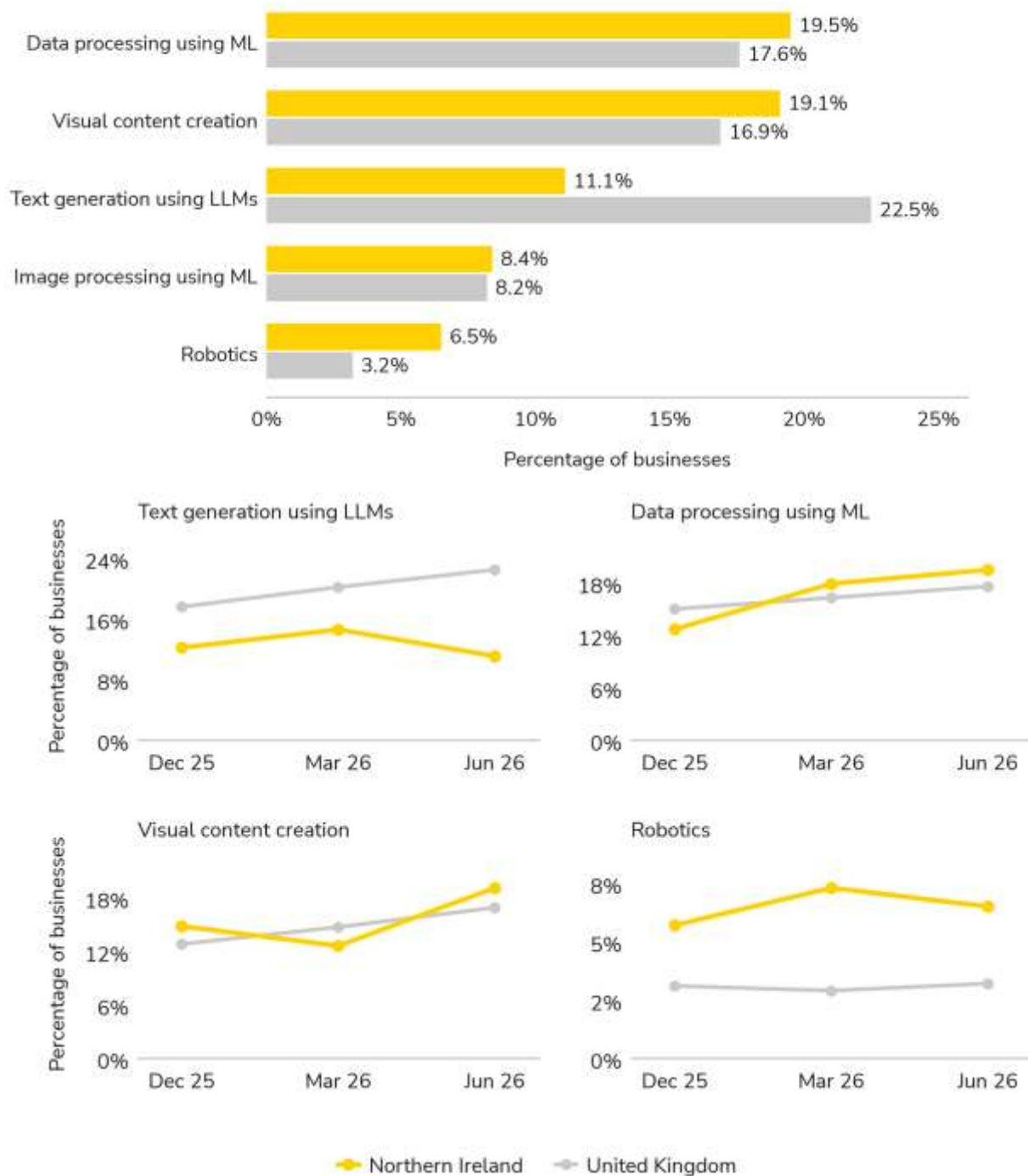
Source: Perspective Economics analysis of ONS Business Insights and Conditions Survey, wave 159 (15 to 28 June 2026). Unweighted; Northern Ireland base 262 responses.

However, reported non-use is falling, from 50% in December 2025 to 44.7% in June 2026. This may also reflect sectoral composition, whereby some firms in certain sectors may have lower engagement with AI technologies than the wider UK. The data also suggests a business base in which daily use of basic tooling such as Copilot is increasingly common, but deliberate deployment or scaling of bespoke AI projects is more limited in scale. Adoption rates are a limited indicator of capability, as Section 4 notes. As such, we explore the survey's deeper findings regarding the composition, purpose, and depth of adoption, where Northern Ireland potentially differs from the UK and other regions more than adoption rates might imply.

Use of AI technologies

AI usage among Northern Ireland businesses appears to be slightly weighted towards analytical applications (Figure 7.2). Data processing using machine learning is cited by 20% of Northern Ireland businesses (51 of 262) compared to 18% for the UK, and visual content creation by 19% (50) against 17%. The data suggests that Northern Ireland businesses are less likely to use AI for text generation (11%) than wider UK businesses (23%), and more likely to use robotics and autonomous technologies (7%) compared to 3% in the UK; however, this may be driven partially by sectoral composition.

Figure 7.2 AI technologies currently used, Northern Ireland and the UK, June 2026, and selected technologies across the three waves.



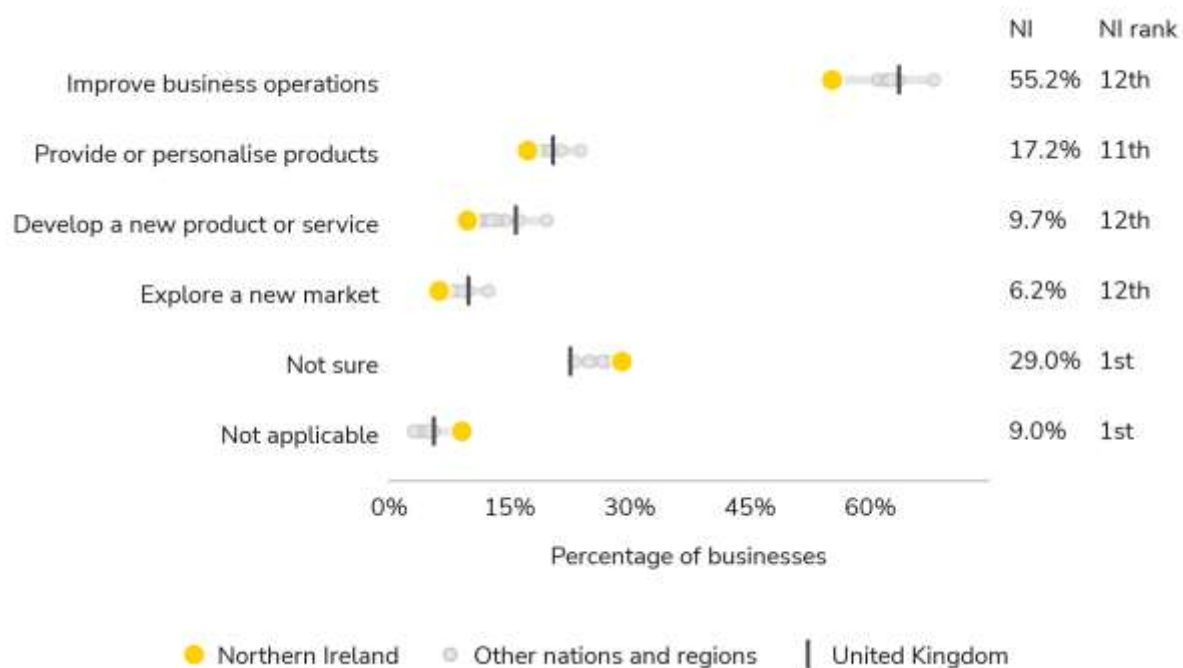
Source: Perspective Economics analysis of ONS Business Insights and Conditions Survey, wave 159. Unweighted; Northern Ireland base 262 responses. Businesses can select more than one response.

Why businesses use AI

Whilst AI adoption and deployment are increasingly viewed as an imperative for business operations, the reasons businesses use AI (or not) within their day-to-day trading vary across business types, sector, size, and skills and experience. For some businesses, they may wish to expose some but not all of business operations to AI use cases; for others, they may seek to embed AI across multiple or all areas. The ONS BICS explores what businesses self-report using AI for at present, in addition to future intentions.

This data suggests that the majority of respondents that use AI do so to ‘improve business operations’ (55%). This is followed by 17% that intend to use AI to provide or personalise products and services to customers, compared to 20% at a UK level. Only 10% cite using AI to develop a new product or service, the lowest of the twelve regions, against 16% for the UK and London at 20%. Only 6% report exploring a new market, and almost one in three businesses (29%) report they are not sure what their business uses AI for (the highest of any UK region), suggesting uncertainty among NI businesses.

Figure 7.3 What businesses use AI for: Northern Ireland within the spread of the twelve nations and regions

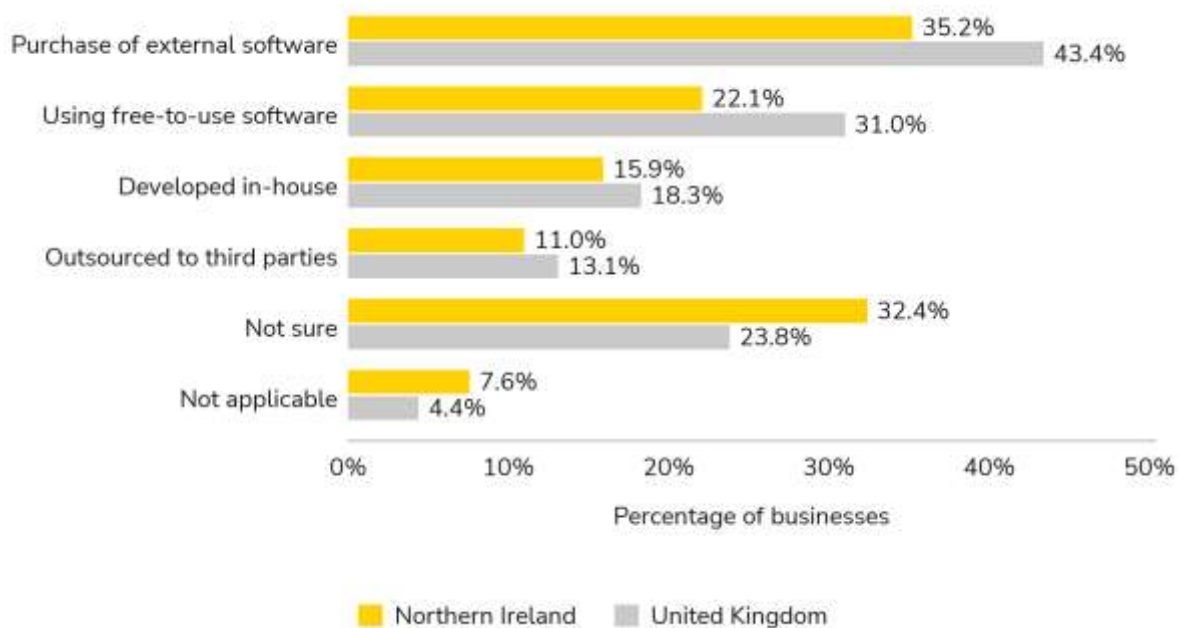


Source: Perspective Economics analysis of ONS Business Insights and Conditions Survey, wave 159. Unweighted; base is the 145 Northern Ireland businesses using some form of AI or unsure whether they are doing so. Businesses could select more than one response.

How businesses adopt AI

The BICS survey also explores how businesses adopt AI in their daily operations. Figure 7.4 highlights how Northern Ireland has lower levels of adoption through purchasing external software (35% compared to 43% in the UK), free-to-use software (22% compared to 31%) and in-house development (16% compared to 18%) with higher levels of uncertainty. This continues to highlight how levels of AI adoption more generally may be more limited than comparator regions.

Figure 7.4 How businesses adopted AI, Northern Ireland and the UK, June 2026

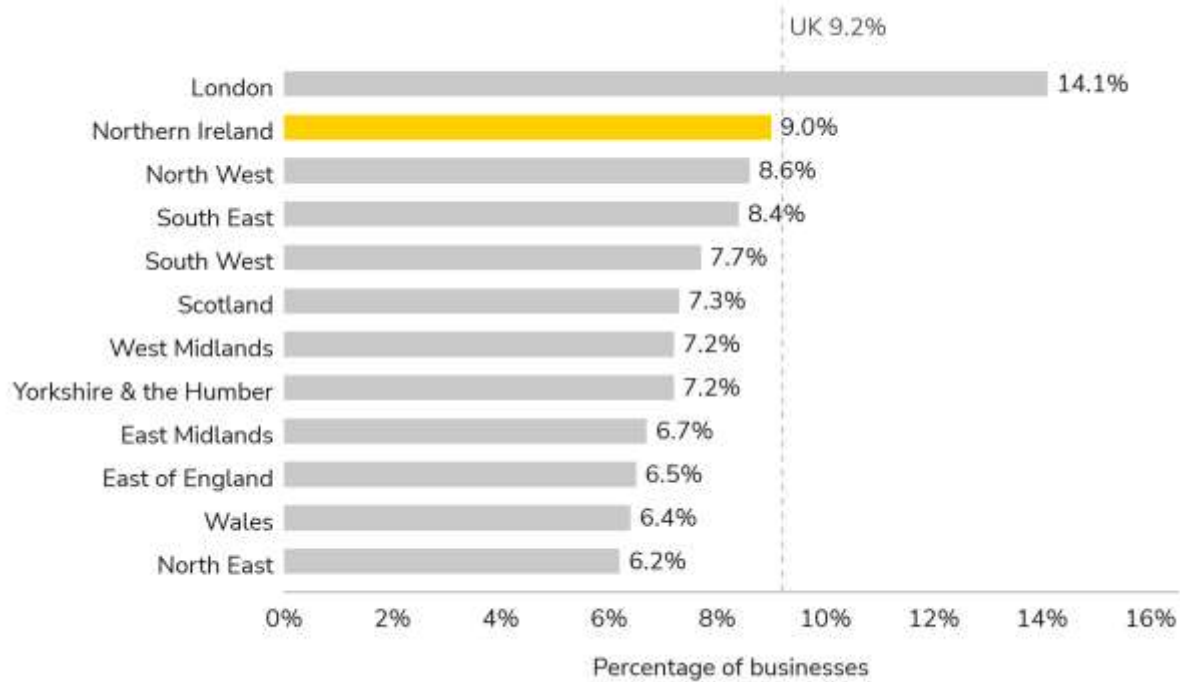


Source: Perspective Economics analysis of ONS Business Insights and Conditions Survey, wave 159. Unweighted; base is the 145 Northern Ireland businesses using some form of AI or unsure whether they are doing so. Businesses could select more than one response.

The BICS recognises that understanding **depth of AI usage** is potentially more useful than understanding adoption rates. Depth is explored by two questions added in the most recent wave, including how extensively AI is used in business operations, and what proportion of the workforce uses it in daily work.

Exploring AI adoption through the lens of depth suggests that Northern Ireland's position may be stronger than simple adoption rates would suggest. The data indicates that 9% of the Northern Ireland AI-using base (albeit a small sample size) report that AI is **used extensively in business operations**. That is the second highest of the twelve nations and regions, behind London (14%) and just ahead of the North West, as shown by Figure 7.5.

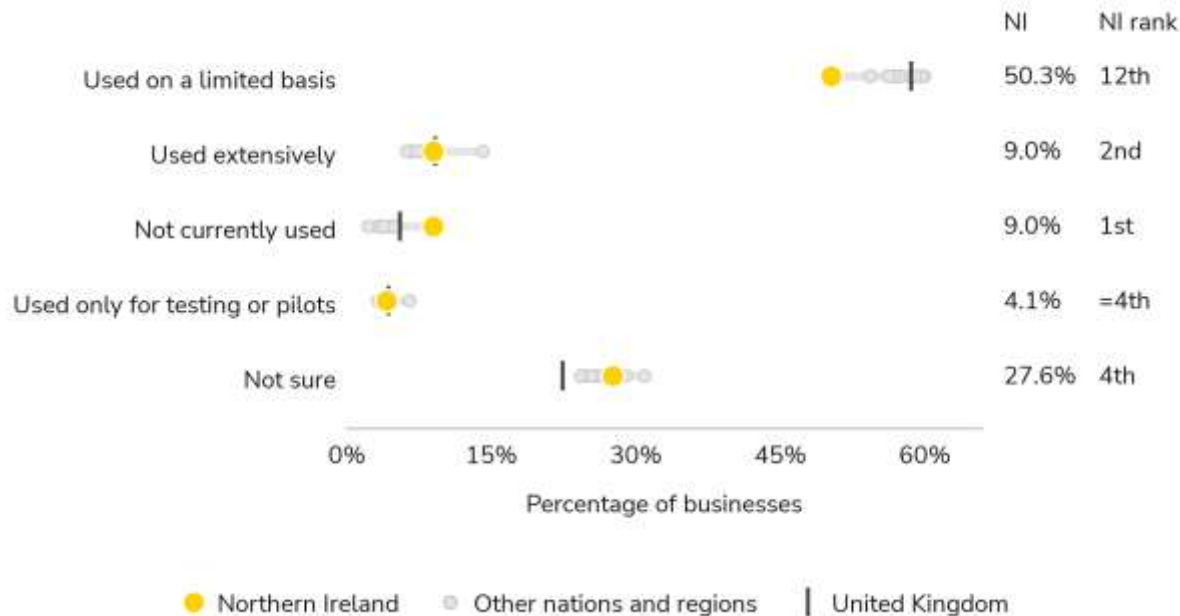
Figure 7.5 Businesses using AI extensively in their operations, by nation and region, June 2026



Source: Perspective Economics analysis of ONS Business Insights and Conditions Survey, wave 159. Unweighted; base is the 145 Northern Ireland businesses using some form of AI or unsure whether they are doing so.

Figure 7.6 also explores overall extent reported, where 50% report use on a limited basis, the lowest of the twelve regions.

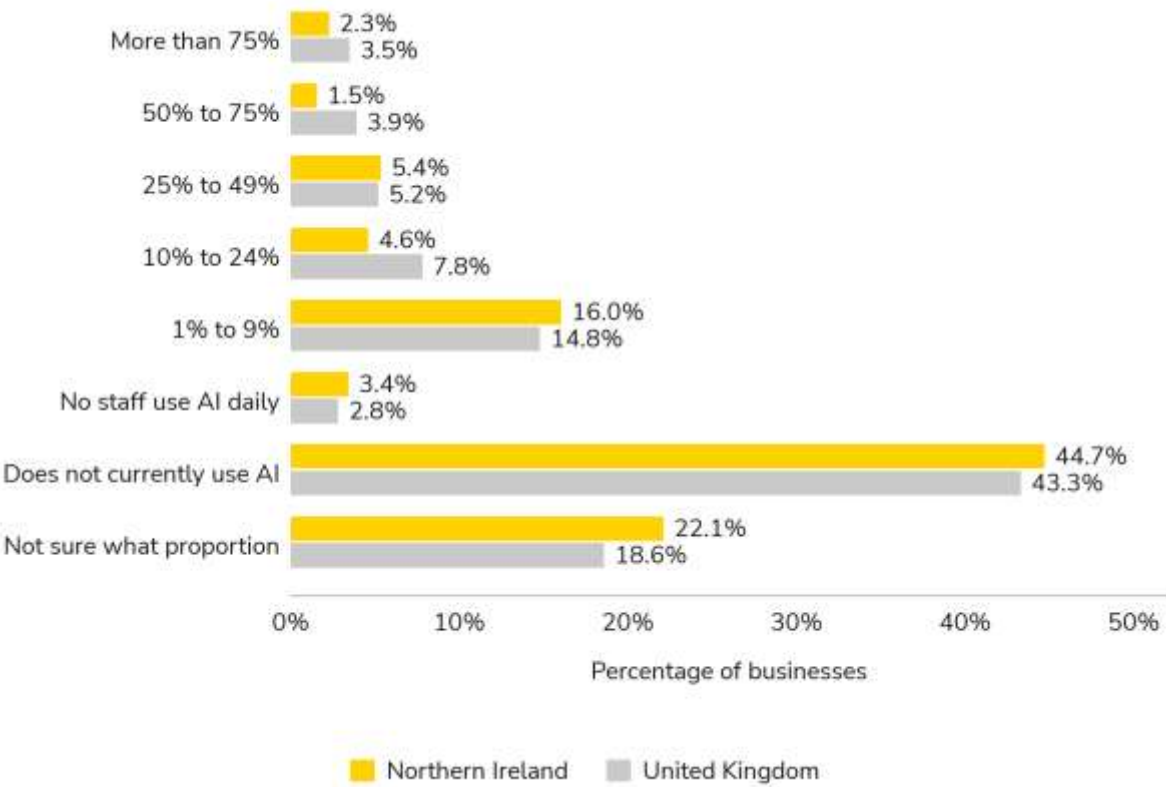
Figure 7.6 Extent of AI use in business operations: Northern Ireland within the regional spread



Source: Perspective Economics analysis of ONS Business Insights and Conditions Survey, wave 159. Unweighted; base is the 145 Northern Ireland businesses using some form of AI or unsure whether they are doing so.

Businesses were also asked what proportion of staff use AI as part of their daily work. This data suggests that the proportion of the Northern Ireland workforce using AI is slightly lower than UK levels. Northern Ireland also has a slightly higher proportion of more concentrated use within the workforce (with 16% reporting less than 10% of staff use AI daily compared to 15% at a UK level) potentially suggesting that within some firms, AI use is concentrated among certain teams, but potentially not deployed to all staff; or that AI usage is concentrated among those with the relevant skills base.

Figure 7.7 Share of the workforce using AI daily, Northern Ireland and the UK, June 2026



Source: Perspective Economics analysis of ONS Business Insights and Conditions Survey, wave 159. Unweighted; base is the 145 Northern Ireland businesses using some form of AI or unsure whether they are doing so.

Overall, this data suggests there may be a range of business level populations in Northern Ireland, whereby a small minority of Northern Ireland firms have pushed AI across a substantial share of the workforce and are using it extensively (as covered by the supply side analysis in Sections 5 and 6), followed by a wider population of firms where AI is used by a small number of people.

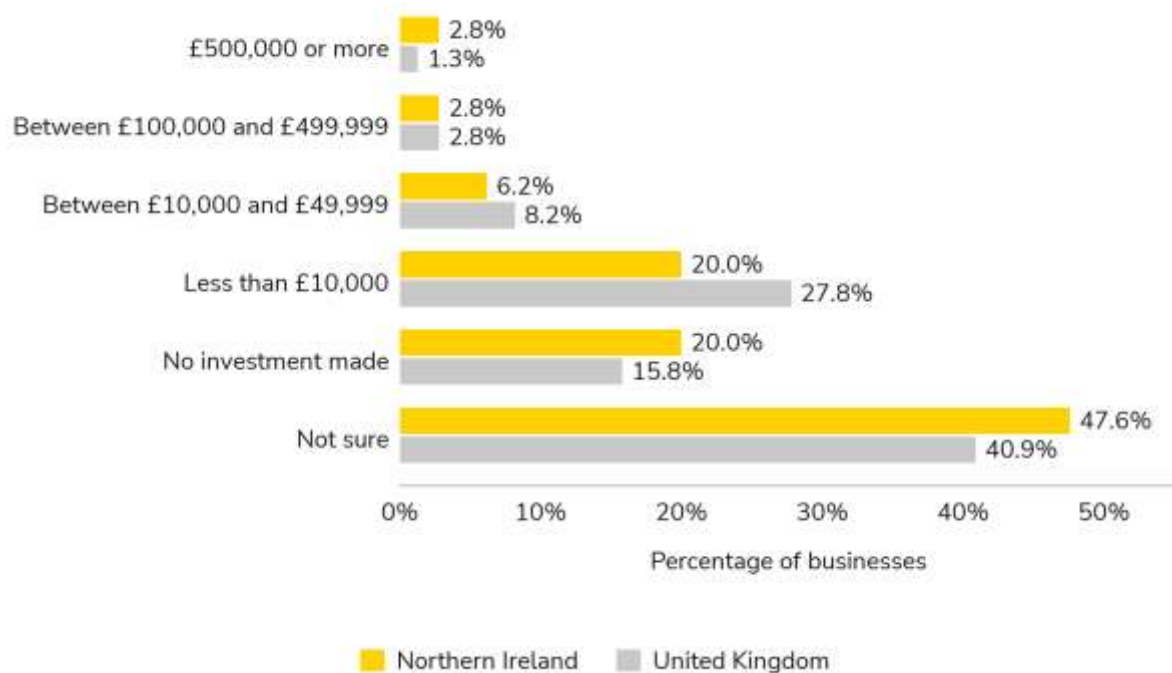
However, we note that whilst these questions explore depth to a wider extent than baseline adoption, the survey does not yet explore areas such as extent of compute or token consumption, or wider impacts from AI deployment. In other words, it may not delineate between a local firm running significant AI workloads and training, and another firm whose staff use a chat assistant.

Investment in AI

The closest proxy for maturity explored in the survey is reported investment in AI. Figure 7.8 highlights how, among a small number of concentrated providers, Northern Ireland records the highest share of UK regions investing £500,000 or more in AI (including compute, inference, and licensing), at 2.8% (4 responses) against 1.3% for the UK. We emphasise that this sample is too small to assess meaningfully at this stage but does provide an indication of some firms increasing adoption and investment accordingly. It is also consistent with the supply-side concentration in Section 5, where 46 anchor firms hold around three quarters of AI-related employment and may be likely to invest in firm wide licensing, inference costs, or compute.

Figure 7.8 also highlights that 20% of the Northern Ireland base report no financial investment in AI at all, the highest of the twelve and against a UK rate of 16%. A further 48% did not know what their business had spent on AI in the last 12 months, potentially highlighting local challenges with AI governance and cost management. Collectively, this distribution suggests that Northern Ireland has a small group of businesses investing at scale and a long tail with limited or no spend on AI at all.

Figure 7.8 Investment in adopting AI in the last 12 months, Northern Ireland and the UK

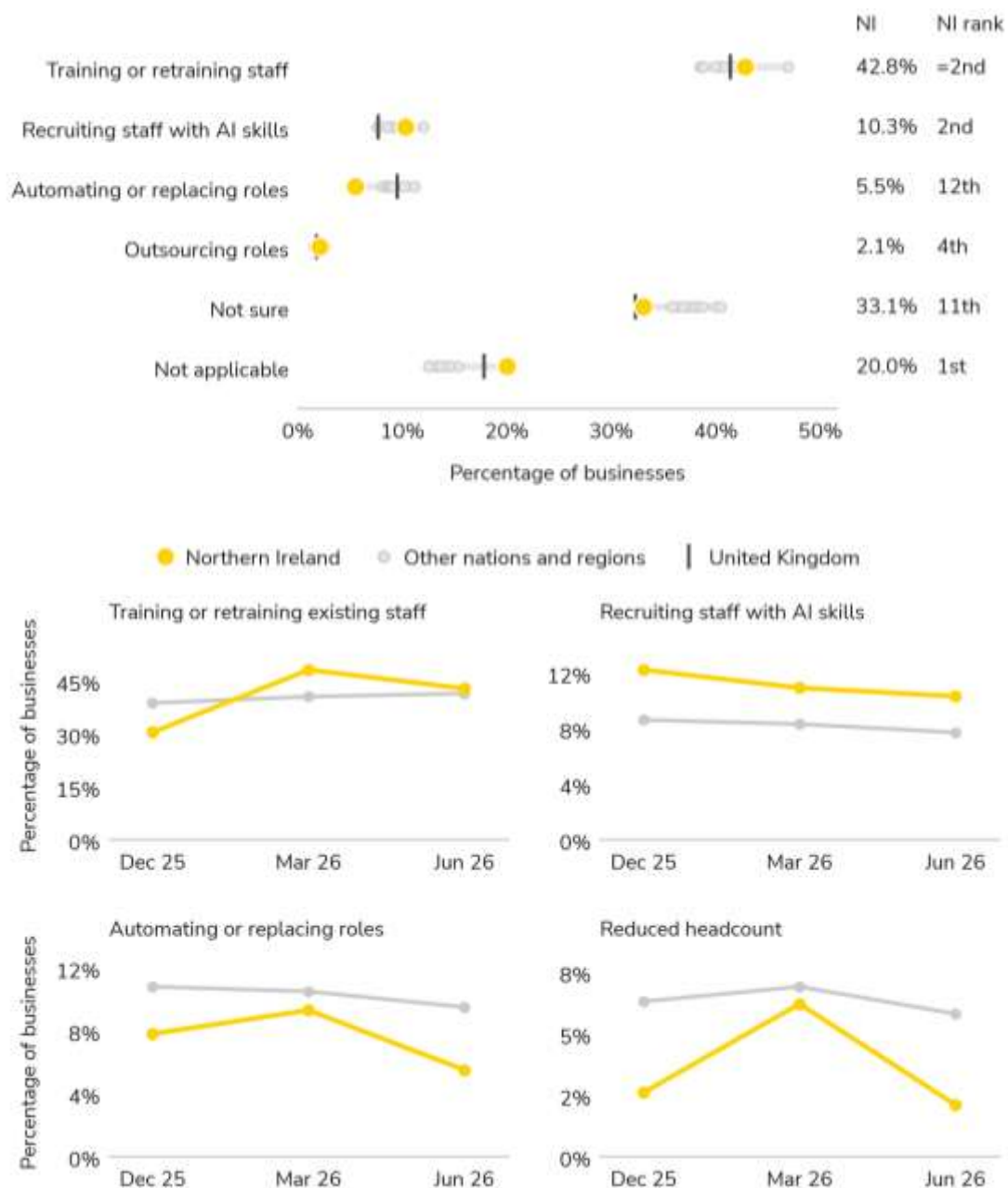


Source: Perspective Economics analysis of ONS Business Insights and Conditions Survey, wave 159. Unweighted; base is the 145 Northern Ireland businesses using some form of AI or unsure whether they are doing so. The £50,000 to £99,999 band is suppressed for Northern Ireland (UK 3.1%) and is omitted.

How businesses are integrating AI-related skills

The BICS survey also explores how businesses have approached integrating AI skills into their workforce. Figure 7.9 suggests that over two in five firms (43%) are training or retraining existing staff, above the UK average of 41%. Approximately 10% are also recruiting staff with relevant AI skills (see Section 8), also higher than the UK average of 8%. Whilst this does not necessarily capture the extent of training or skills, it does suggest a labour market that is open to AI upskilling. Further, 6% of NI businesses reported that they are using AI to automate or replace roles. This is the lowest of all regions, and lower than the 10% UK rate. This may suggest that either NI businesses are more open to using AI to augment existing employment, or alternatively, have found it more challenging to fully replace or automate roles than other counterparts through existing AI implementation approaches.

Figure 7.9 Approach to integrating AI skills: Northern Ireland within the regional spread, and approach to AI skills and headcount across the three waves



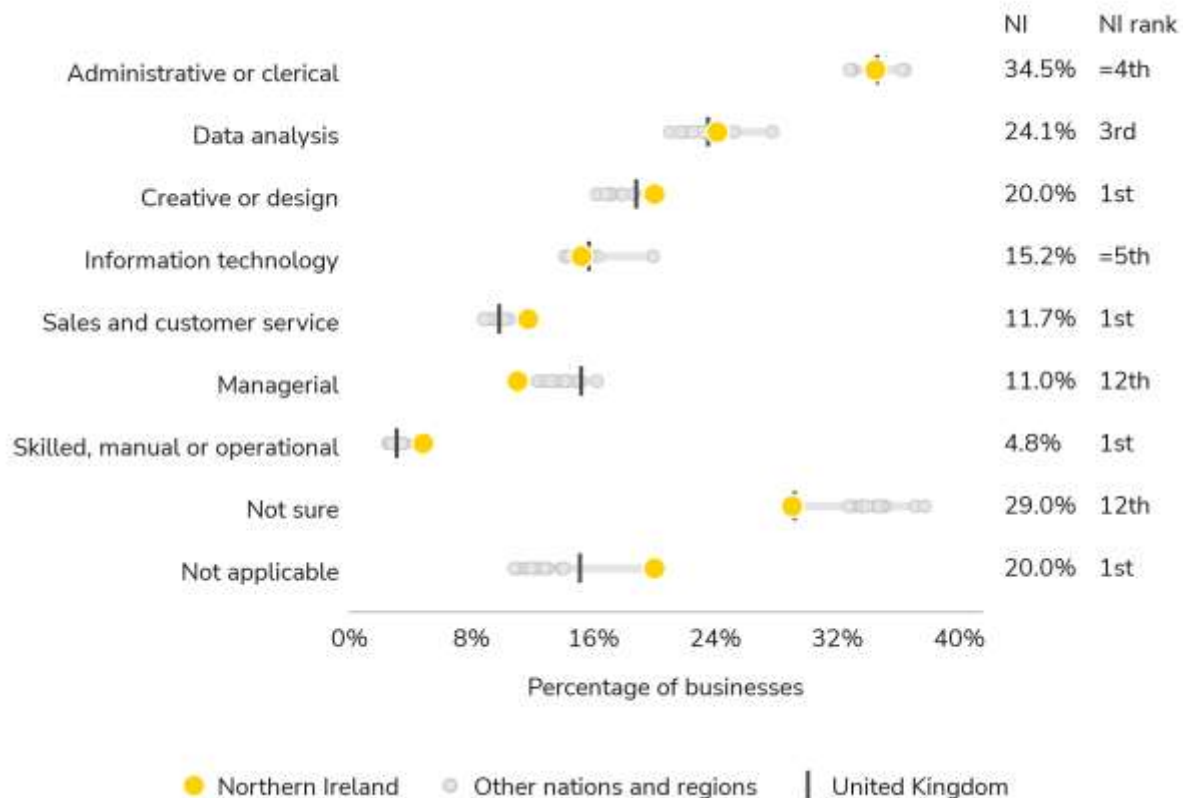
Source: Perspective Economics analysis of ONS Business Insights and Conditions Survey, wave 159. Unweighted; base is the 145 Northern Ireland businesses using some form of AI or unsure whether they are doing so. Businesses could select more than one response.

The impact of AI on roles

The BICS survey also explores which roles have been most impacted by the AI technologies a business has adopted. We note this question captures impact of any kind and does not distinguish positive from negative, so it should not be read as a measure of AI displacement. This could include both roles being positively impacted e.g. through individuals using AI to replace or augment repetitive functions to save time and enhance productivity, or impacts considered more negative e.g. potential loss of jobs or hours worked. We note that this will include distributional impacts, and perceptions may vary across business types and between employers and employees.

Figure 7.10 suggests that administrative or clerical work has been most impacted in Northern Ireland, broadly in line with UK levels. This is also followed by data analysis work (one in four businesses citing this), and creative or design roles (one in five). Only one in twenty businesses report an impact on skilled, manual, or operational roles.

Figure 7.10 Roles most affected by adopted AI: Northern Ireland within the regional spread

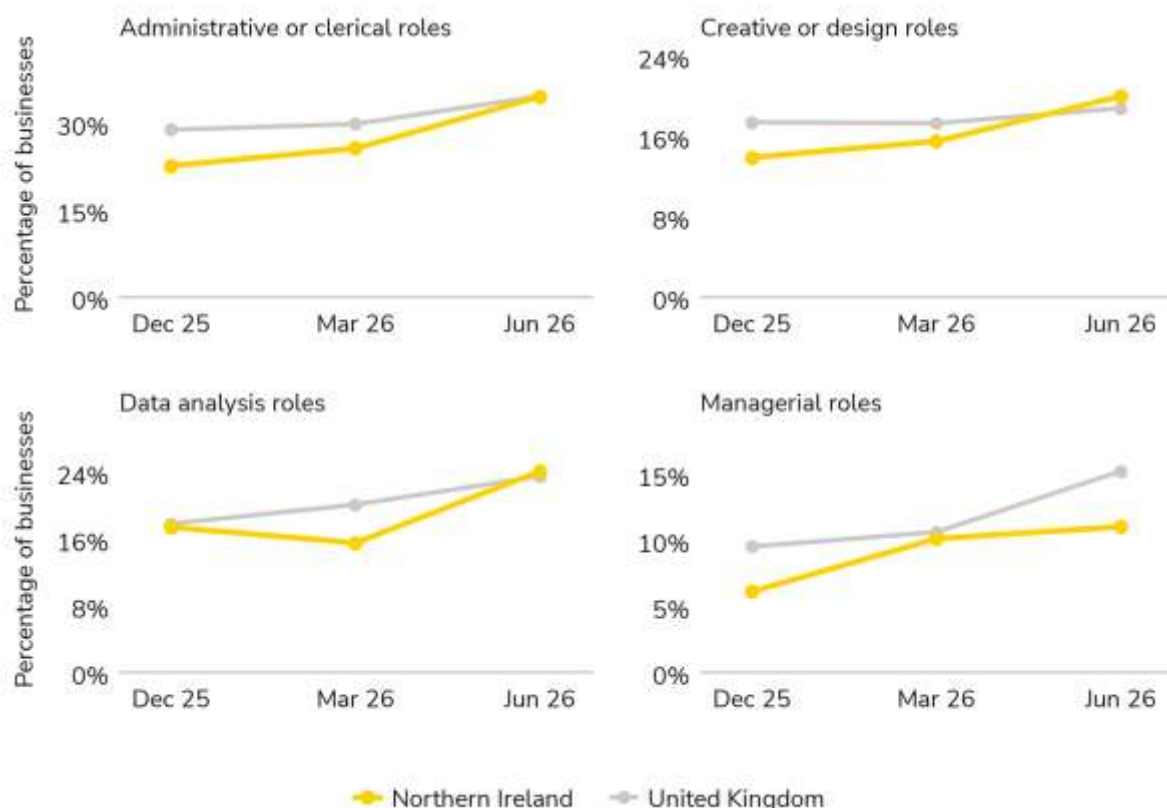


Source: Perspective Economics analysis of ONS Business Insights and Conditions Survey, wave 159. Unweighted; base is the 145 Northern Ireland businesses using some form of AI or unsure whether they are doing so. Businesses could select more than one response. The question records impact of any kind and does not distinguish positive from negative. "Other" omitted.

Exploring this data on a wave by wave basis (Figure 7.11) suggests that reported impact on roles is increasing over time, with notable increases over a six month period, potentially becoming more embedded as AI tools that can act on a user's behalf become more common across the workforce. This trend will be worth tracking at a regional level, given the workforce composition within Northern Ireland, where roles

such as administrative, clerical, contact centre and business services functions account for a substantial share of employment.

Figure 7.11 Roles most affected by adopted AI across the three waves, Northern Ireland and the UK



Source: Perspective Economics analysis of ONS Business Insights and Conditions Survey, waves 147, 153 and 159. Unweighted; Northern Ireland bases 115, 129 and 145 responses.

Business-reported effects of AI on headcount

Whilst we note the potential for AI to impact employment levels in the local economy, the BICS survey also asks businesses how AI has impacted total headcount to date.

Figure 7.12 suggests that the majority of businesses in Northern Ireland (55%) report no change to overall employment levels (for those businesses using AI). This is the highest level in the UK. Only 2% of businesses explicitly state that AI has led to headcount reductions (the lowest of the UK regions), and 3% state AI has led to an increase in headcount (the highest of the four regions with a published figure).

We note that these are small sample sizes and may reflect responses from a range of company sizes; so, these findings do not measure the direct and indirect employment impact. However, it does provide some indication that employment levels are not changing at present due to AI implementation in Northern Ireland.

Figure 7.12 Reported effect of AI on headcount: Northern Ireland within the regional spread



Source: Perspective Economics analysis of ONS Business Insights and Conditions Survey, wave 159. Unweighted; base is the 145 Northern Ireland businesses using some form of AI or unsure whether they are doing so. The UK figure for increased headcount is suppressed.

The survey also asks businesses if they expect AI to impact headcount over the next three months. This data suggests that 7% of firms expect AI to reduce headcount (also the lowest of the UK regions, compared to a UK rate of 12%), and 46% expect no change. This suggests that whilst businesses broadly expect employment levels to remain steady (as attributable to AI), an increasing percentage may be conscious that future developments and rollout of AI could lead to reduced headcount either directly, or indirectly through loss of revenue or competition. The high incidence of firms expecting 'no change' in employment could also potentially include where employers do not expect to make additional recruitment, or may scale back on entry level recruitment activity, as suggested by wider early assessments of the potential impact of AI on the labour market.

This can be considered in two ways. Firstly, it may suggest that Northern Ireland businesses are deploying AI alongside their workforce rather than in place of it i.e. using AI to augment the existing workforce and increase output and productivity. However, it could also indicate that AI adoption may be too shallowly deployed to change or affect how work is delivered at a workforce level, or that management processes around AI (both technically and operationally) may require additional support to help firms with whole systems implementation rather than AI for specific use cases.

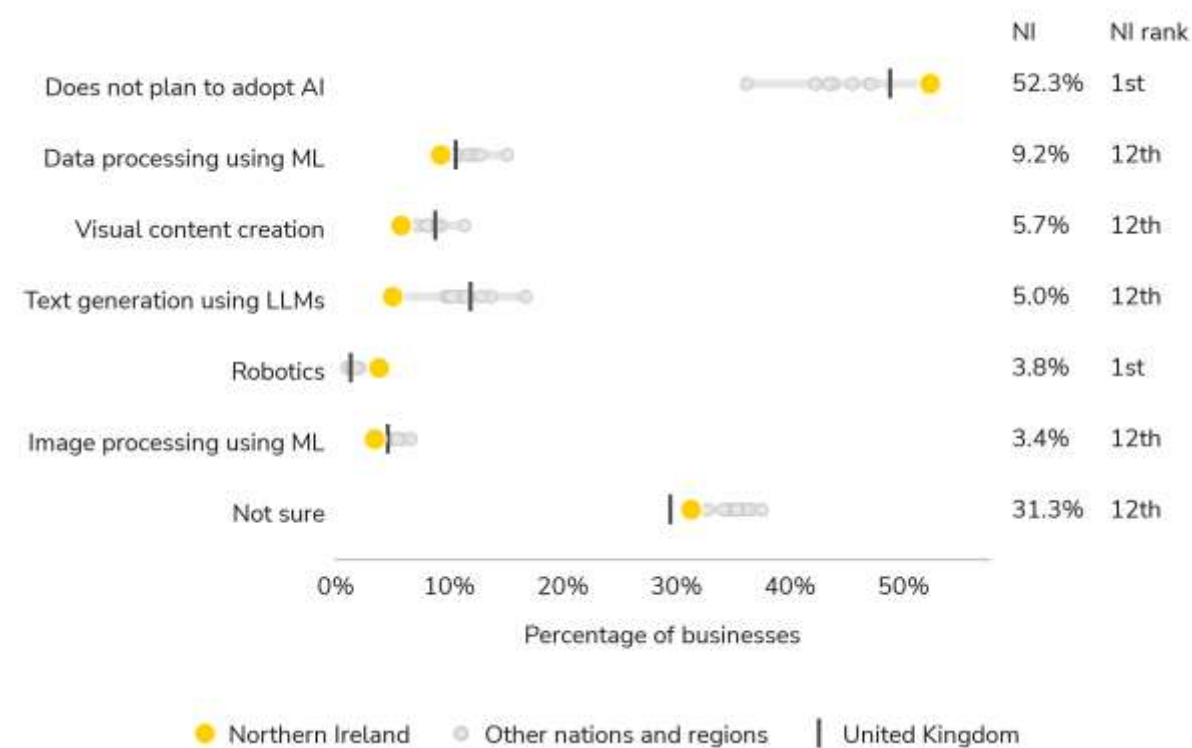
The survey data also suggests that regions reporting deeper deployment also report more headcount change and more product development. Northern Ireland's low displacement rate may therefore suggest further AI adoption may be required, and additional consideration could be placed upon the sustained productivity implications of other regions and countries furthering adoption at a faster or more embedded scale.

Future business planning for AI

The survey subsequently asks businesses about their future plans for AI adoption over the next three months. This suggests that a slight majority of businesses (52%) in Northern Ireland do not plan to adopt AI in the coming months. This is the highest of any UK region and may be shaped by sectoral composition; however, it indicates that AI adoption takes different forms, and that many businesses may not consider it required, relevant or desirable within their existing processes. From a Northern Ireland perspective, this suggests that ongoing awareness and initial support e.g. highlighting AI use cases across a range of sectors may be most suitable to increase adoption, and that adoption will differ in level and maturity across businesses. For example, there may be some elements of business activity where AI adoption is either not required or not desired, or where considerations such as security must be addressed before integrating AI.

Across the previous three waves, the research suggests that the percentage of Northern Ireland businesses that do not plan to adopt AI has remained unchanged, whilst the UK figure has fallen from 56% to 49%.

Figure 7.13 AI technologies businesses plan to adopt in the next three months: Northern Ireland within the regional spread



Source: Perspective Economics analysis of ONS Business Insights and Conditions Survey, wave 159. Unweighted; Northern Ireland base 262 responses. Businesses could select more than one response. Autonomous vehicles omitted: no Northern Ireland responses and the UK figure is suppressed. "Other" omitted.

Whilst areas of planned adoption are smaller in scale, with Northern Ireland reporting lower rates of planned adoption and use of data processing, visual content, and text generation, we note that robotics is the highest level among the UK regions (4% of businesses). This may be consistent with applied and industrial AI within Northern Ireland's advanced manufacturing and engineering base.

8. AI skills in the NI labour market

This section explores the incidence of AI skills within the existing workforce and levels of demand for AI skills among Northern Ireland employers. This data is based upon a review of web-based profiles and job vacancy analysis, as derived through the Lightcast platform, a leading tracker of labour market intelligence.

- **Workforce supply:** We consider estimated counts of individuals with AI-related skills and experience using anonymised professional profile data derived by the Lightcast platform. This provides an analysis of the estimated number of individuals with AI skills across each UK region, where the profile cites a job title or skill in the 'Artificial Intelligence and Machine Learning' subcategory, compared to the wider labour market size.
- **Workforce demand:** We also explore AI workforce demand through Lightcast recorded unique job postings, from January 2024 to June 2026. This explores Northern Ireland and wider UK demand, for postings citing an artificial intelligence or machine learning skills requirement.

Supply-side estimates

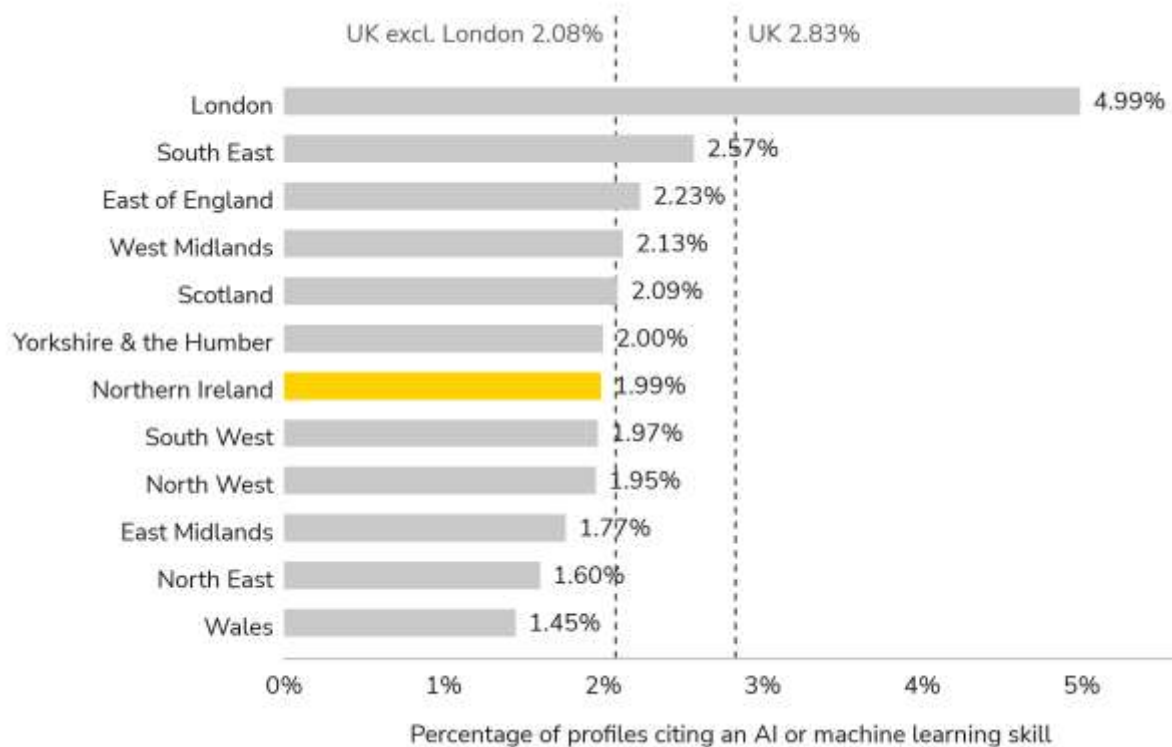
This report explores the estimated number of people employed in AI-related roles by private sector employers within the defined 'AI sector.' As set out in Section 5, this includes an estimated 2,402 full-time equivalents (FTEs) employed in AI-related roles in Northern Ireland as of August 2026 across 400 AI-related firms in scope. However, this figure does not capture, for example:

- Individuals employed within AI roles in the public or third sector (where accounts or similar data is not available or out of scope);
- Wider individuals with AI-related skills working in firms outside of the 'AI sector' as defined in this analysis; and
- Emerging supply of new graduates with relevant degree pathways and skills seeking to enter the labour market.

Further, it is challenging to identify the scope and definition for an AI-related skill; for example, tens of thousands of individuals may use front end generative AI tools such as ChatGPT daily, while far fewer are able to deploy AI workflows or focus on particular technical domains. Using the Lightcast platform, we identify any workforce profile that has been assigned with a relevant skill in a defined Artificial Intelligence and Machine Learning subcategory. This typically includes knowledge of deep learning, machine learning, natural language processing, or libraries such as TensorFlow.

As of August 2026, we find up to 761,716 profiles citing an AI or machine learning skill across the UK, of which 7,924 profiles are based in Northern Ireland (approximately 1% of the UK total). This compares to 398,838 Northern Ireland profiles in total, suggesting that approximately 2% of Northern Ireland profiles have a related AI skill. We note that this figure is lower than overall workforce counts, particularly where web profile coverage is unavailable or not in place. This data, as set out in Figure 8.1, suggests that Northern Ireland ranks seventh of the twelve nations and regions on AI skill intensity as a proportion of its workforce.

Figure 8.1 Profiles citing an AI or machine learning skill as a share of all profiles, by nation and region, August 2026



Source: Perspective Economics analysis of Lightcast profile data (extracted August 2026). The twelve nations and regions account for 88% of the UK profile total, so the UK rate is not the sum of the rows shown.

Whilst Northern Ireland's percentage of AI skills among its total workforce is lower than the UK average (2.8%), we note that it is broadly comparable to the UK average omitting London.

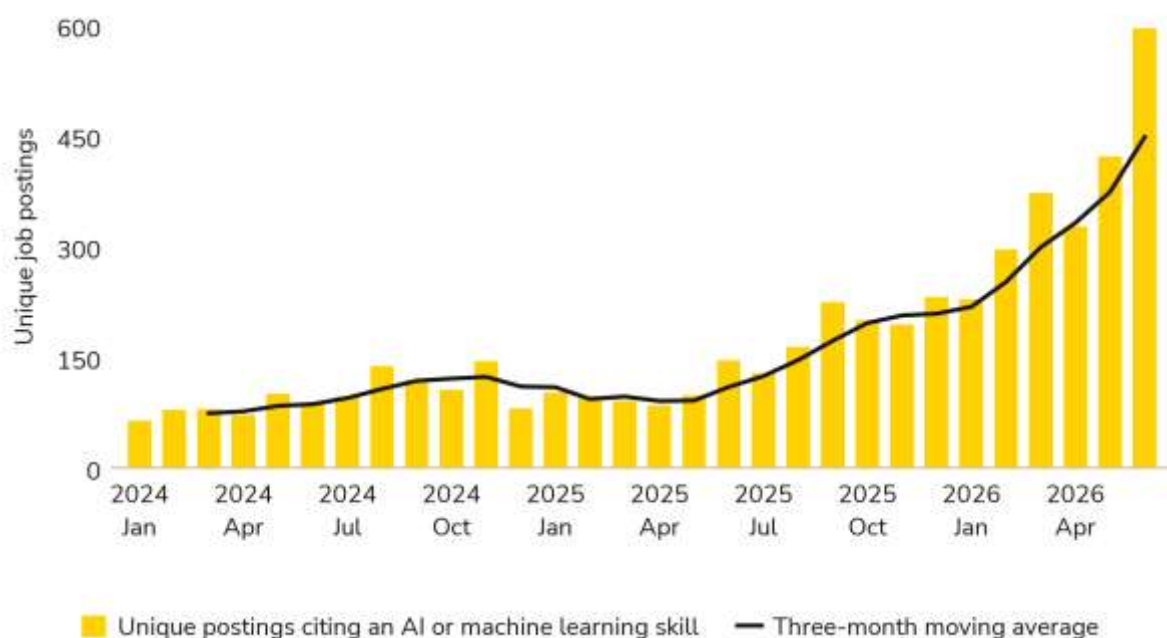
We note that Northern Ireland level data may be underreported, and that profile skills are also self-reported and can be added retrospectively, so the volume of AI-skilled profiles may increase through labelling of roles rather than through new roles or skills developed. As such, these figures should be viewed as indicative rather than definitive estimates. However, they do highlight a wider skills base across sectors beyond the AI sectoral mapping in this analysis worth developing and supporting.

Demand-side estimates: AI-related job postings

In addition to profiles data, Lightcast also tracks unique job postings from a range of company websites and job boards to identify roles requesting AI-related skills in addition to AI-related job titles e.g. AI and ML Engineers, or wider data science and analytics roles requesting knowledge and experience of AI tooling.

This data highlights that demand has continued to increase over the last couple of years, with the number of job postings in Northern Ireland requesting an artificial intelligence or machine learning skill rising from 1,158 in 2024 to 1,755 in 2025 (+52%) and reaching 2,238 in the first six months of 2026 alone (Figure 8.2). On a rolling twelve month basis, the year to June 2026 recorded 3,378 related postings against 1,296 in the preceding twelve months, an increase of 161%. Over the same period, all Northern Ireland postings identified rose by 5%, from 120,098 to 126,446, demonstrating that AI-related job demand has increased substantially.

Figure 8.2 Northern Ireland job postings citing an AI or machine learning skill, monthly, January 2024 to June 2026

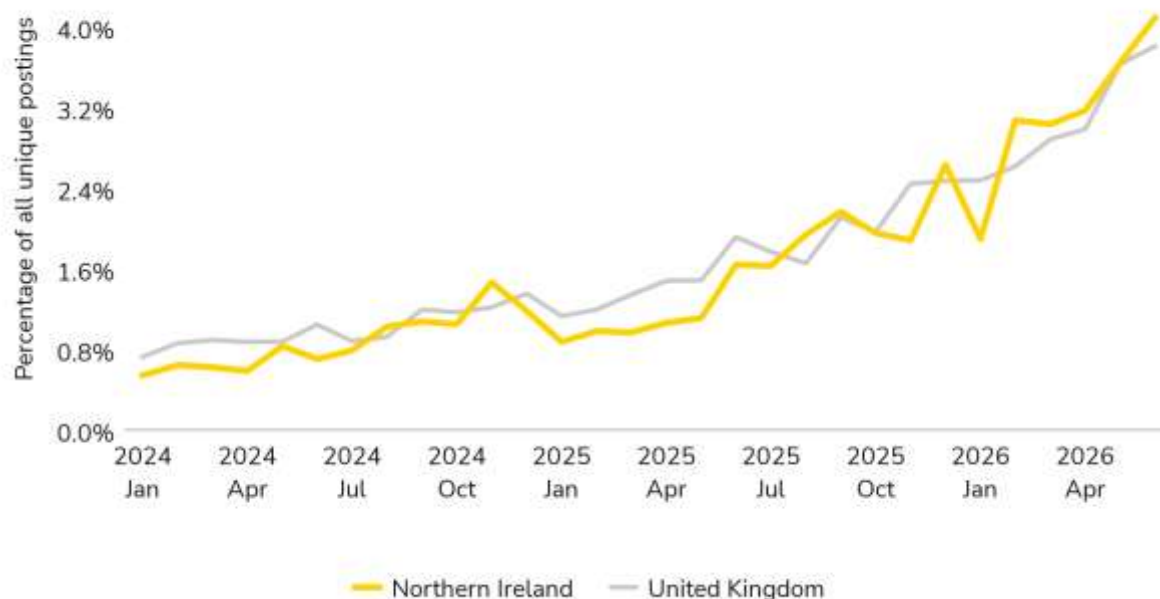


Source: Perspective Economics analysis of Lightcast job postings data (extracted August 2026). Series runs January 2024 to June 2026.

Further, as shown in Figure 8.3, in the first half of 2024, approximately 0.7% of Northern Ireland postings cited an AI skill against 0.9% for the UK. By the first half of 2025 the figures were 1.1% and 1.4%. In the first half of 2026, 3.2% of Northern Ireland postings requested an AI skill compared to 3.1% in the UK.

This suggests that the proportion of job postings requesting AI-related skills has almost trebled in the last year, consistent with the wider supply side findings. It also emphasises the need for ongoing skills programmes as firms and the labour market adapts.

Figure 8.3 AI-skill postings as a share of all postings, Northern Ireland, and the UK, monthly



Source: Perspective Economics analysis of Lightcast job postings data (extracted August 2026). Series runs January 2024 to June 2026.

Overall, the review of adoption, supply and demand has a number of potential implications for Northern Ireland. This includes:

- Northern Ireland is demonstrating growth in both supply and demand of AI-related skills in the workforce. There is clearly an interest and demand among both employers and employees to adapt and upskill accordingly. The metrics suggest that Northern Ireland is neither leading nor lagging: its labour market and demand are consistent with comparable UK regions.
- General business adoption is a greater challenge for the local economy. Northern Ireland has the highest share of businesses not using AI, among the lowest use of large language models, and the highest share of businesses not appearing to invest in AI or planning to adopt AI in the coming months.
- However, depth of adoption in Northern Ireland is more nuanced. Northern Ireland appears to be one of the leading UK regions where firms report AI is being used extensively, but among a more concentrated proportion of each workforce.
- Whilst initial business data suggests that Northern Ireland may be among the lowest of the UK regions on automating or replacing roles through the use of AI, this may have direct and indirect productivity implications depending on whether this is due to AI usage not leading to demonstrable changes in operating models, to increasing wider productivity, or to wider firm-level capacities such as management and levels of investment.
- This data suggests that ongoing targeted, sector-specific demonstration of use cases, alongside conversion and retraining provision may further help to move Northern Ireland firms from limited usage to greater integration, governance, and firm-wide adoption.

9. Public sector demand and procurement

This section explores public sector procurement of AI in Northern Ireland. It considers what public bodies have procured to date, whether firms in scope of this study appear within public procurement records, and where Northern Ireland firms are supplying AI to public buyers elsewhere in the UK. We note that the evidence base is limited, and the findings should be considered indicative.

Public procurement activity is often recorded across various sources. The research team has therefore reviewed:

- The Northern Ireland Construction and Procurement Delivery (CPD) award register, covering over 5,800 contracts awarded between 2015 and July 2026 across almost 200 contracting authorities and over 2,300 suppliers;
- Tussell award notices for Northern Ireland buyers where notice text indicates AI content, alongside an extract of recent awards to firms identified within this AI study across all UK buyers; and
- Published transaction spend data for Northern Ireland contracting authorities, covering tens of thousands of spend data payments between August 2024 and June 2026.

We note that identifying AI within award data can depend on the language used by the buyer. The research team matched AI and related terms on word boundaries, reviewed each match individually, and classified each contract according to AI relevancy. We note that often AI purchased as part of a broader contract (e.g. software licences, managed IT services, or cloud hosting) may not carry an AI tag and cannot therefore be identified, and that award registers often name the prime contractor only, so AI work delivered as a subcontractor may not appear. As such, this data is indicative of activity only.

Review of the CPD register and the Tussell award notices suggests that:

- Of the 5,805 awards in the CPD register, 18 match an AI or related term within the contract title, and only seven, on review, are contracts in which AI was the main focus of the purchase.
- We find a small number of relevant directly cited AI contract awards since 2024 in the NI public sector, including:
 - **The Executive Office (January and February 2026, £100,000 and £98,728):** AI enablement consultancy for the Strategic Investment Board's Investment Strategy for Northern Ireland (ISNI) programme, let through G-Cloud in lots to Sans Souci Consulting, IntrinsicAI and Gartner; and **The Executive Office (July 2026, £83,000):** the alpha phase of an AI incubator programme, by Kilsharan;
 - **Department of Health (June 2026, £3.29m):** the DERM skin lesion assessment application and access to the Skin Analytics platform for dermatology triage; and
 - **Ulster University (January 2024, £270,900):** an email and collaboration security platform from Integrity 360 using AI-trained detection engines.

This suggests that public sector procurement of AI in Northern Ireland is at an early stage. The activity identified relates to enablement and advisory work, alongside one clinical deployment procured from outside the region. We note that the rollout of Microsoft 365 Copilot across the Northern Ireland Civil

Service sits outside this evidence base as general purpose tooling and as noted in Section 4, use of such tools may be a more limited indicator of capability.

On the supply side, we find that:

- 39 of the 400 firms in scope appear as suppliers within the CPD register at any point since 2015, for contracts of any kind. This includes 30 diversified firms, eight AI-enabled firms and one dedicated AI firm. The firms present within Northern Ireland procurement records are typically digital-integration and professional-services firms already embedded within public sector supply chains.
- Kainos, the largest Northern Ireland headquartered firm in scope, has been active in public sector procurement with buyers in Great Britain, including through AI tool development and evaluation support for the Department for Transport (£640,000), an AI assurance proof of concept for National Highways, an AI form-building proof of concept for the Financial Conduct Authority, a trial of AI tooling for legacy code remediation for the Department for Science, Innovation and Technology, and a data and AI capability partnership with the Ministry of Defence (a framework ceiling of £50m); through the Crown Commercial Service (CCS), G-Cloud 14 and the Artificial Intelligence Dynamic Purchasing System.

Overall, this review has a number of potential implications for Northern Ireland. This suggests:

- **Public sector demand for AI is at an early stage:** We find a small number of AI contracts with Northern Ireland buyers since 2024. The UK Government has set out an expectation that AI and digital transformation could deliver substantial savings across the public sector, and the Minister for AI and Digital Government's correspondence with the House of Commons Science, Innovation and Technology Committee restates an estimate of up to £45 billion per year at a UK level²⁴, whereas no Northern Ireland estimate has been developed to date. Realising any share locally depends on departments identifying use cases and knowing how to procure and implement AI projects. The use case identification barrier reported by businesses in Section 7 is likely to apply to public bodies, and the draft AI Strategy recognises that procurement models should support modular, phased AI contracts.
- **Routes to market already exist:** Northern Ireland departments can use existing procurement vehicles at a UK level. Further, many AI tools are already being developed and open-sourced by the Government Digital Service and the UK Government's Incubator for AI, e.g. the Scottish Government has been able to pilot the use of an AI Consult tool. Whilst there may be opportunities for local pilots and engagement with local firms, the NI public sector may also consider opportunities for partnership with central projects to maximise value for money.
- **The evidence is limited:** The CPD register covers central contracts with limited coverage of titles and descriptions. It is difficult to ascertain how public sector adoption of AI (through procurement) is progressing, and where success or learning can be taken. To enhance efficacy of projects, further coverage and case studies would help.

²⁴ House of Commons Science, Innovation and Technology Committee (2025) 'Government shares calculation for £45 billion annual savings from digitisation of public sector', publishing a letter and methodology note from the Minister for AI and Digital Government. Available at: <https://committees.parliament.uk/committee/135/science-innovation-and-technology-committee/news/206535/government-shares-calculation-for-45-billion-annual-savings-from-digitisation-of-public-sector/>

10. Tracking growth and potential

This section compares the 2026 estimates with the growth scenarios set out in the 2025 baseline, explores the components of the change since the baseline, and sets out revised growth scenarios to 2030 based upon the firm-level data.

The 2025 baseline set out three growth trajectories to 2028 from a base of £82m in AI-related GVA and 1,340 AI-related FTEs across 198 firms. This included:

- Conservative growth (15% GVA and 5% employment CAGR), reaching £143m and approximately 1,650 FTEs by 2028;
- Moderate growth (25% GVA and 10% employment CAGR), reaching £200m and approximately 2,000 FTEs; and
- Ambitious growth (35% GVA and 15% employment CAGR), reaching £272m and approximately 2,350 FTEs.

Comparing the 2026 estimates with these trajectories (Table 10.1), we find that the moderate scenario for 2028 has already been exceeded.

- The full cohort of 400 firms (£214m GVA, 2,402 FTEs) exceeds the ambitious scenario for 2026 (£149m and approximately 1,770 FTEs) and the moderate end point for 2028;
- On a like-for-like basis, the 182 tracked firms increased AI-related employment from 1,340 to 2,064 FTEs (+54%) and GVA from £82m to £184m, which also exceeds the ambitious path for 2026; and
- The £200m milestone has therefore been met in the first update, two years ahead of the 2028 date, and is within 10% on the tracked cohort alone.

Table 10.1 2026 estimates against the 2025 baseline scenarios

	Conservative	Moderate	Ambitious	2026, 182 tracked firms	2026, all 400 firms
GVA 2026 (£m)	£108m	£128m	£149m	£184m	£214m
AI FTEs 2026	1,477	1,621	1,772	2,064	2,402
GVA 2028 (£m)	£143m	£200m	£272m		
AI FTEs 2028	1,629	1,962	2,344		

Source: Perspective Economics. Scenario values compound from the 2024 base published in the 2025 baseline; 2026 estimates as set out in Section 5. PE estimate, FTE basis.

The 2025 scenarios underestimated both the scale of the ecosystem and the pace of change, particularly within existing firms. Before revisiting potential growth beyond 2026, Table 10.2 sets out what the £132m increase in GVA reflects.

We estimate that:

- **Headcount growth among tracked firms accounts for approximately £64m (almost half of growth):** of which the majority is driven by expanding digital and data teams as AI teams;

- **Higher productivity accounts for approximately £37m:** We estimate GVA per AI FTE increased from £61k to £89k, driven by increased profitability and remuneration;
- **Increasing AI adoption and implementation among wider firms in NI accounts for approximately £25m:** We identify 147 firms that were incorporated before January 2025 but not captured at the baseline, accounting for 277 AI FTEs. These are typically established firms that have since recruited or built an AI team; and
- **Newly registered entrants account for approximately £5m of growth:** the 71 firms registered since January 2025 account for 61 AI FTEs and approximately £5m in estimated GVA.

Further, we find that the like-for-like employment growth of 54% (among firms in the baseline) is consistent with the 51% recorded for the UK AI sector over the same period. This suggests that Northern Ireland has kept pace with the national sector, and that ecosystem growth is driven more by increasing adoption and implementation among existing firms than new firm growth.

Table 10.2 Components of the change in AI-related GVA, 2025 baseline to 2026

Component of the change, 2025 baseline to 2026	£m
Headcount growth in tracked firms, 1,340 to 2,064 AI FTEs	£64m
Productivity: GVA per AI FTE £61k to £89k, applied to the 1,340 baseline FTEs	£37m
Increasing AI adoption and implementation (147 firms now in scope, 277 AI FTEs)	£25m
New entrants: 71 firms formed since January 2025 (61 AI FTEs)	£5m
Total	£132m (rounded)

Source: Perspective Economics analysis of the 2026 census against the 2025 baseline. Each component is valued at the 2026 GVA per AI FTE of £88,919; productivity is the change in GVA per FTE applied to the 1,340 baseline FTEs. Headcount growth in tracked firms is measured net of the 16 baseline firms that left scope. Components sum to the £132m increase (rounded). PE estimate.

Revisiting growth scenarios

We find that growth since the baseline has been concentrated among a small number of firms. Among the 167 tracked firms with an AI FTE estimate in both years, we find that only ten firms account for 95% of the net increase in AI-related employment, with GB-owned operations increasing NI AI-related employment by 141% and inward investors by 43%, while NI-founded firms' headcount remained broadly flat.

To repeat the growth of the last twelve months would therefore require a small number of large employers to effectively increase their AI-related headcount again, and this may become more challenging to achieve to the same extent year on year. As such, the research team has projected growth from the 2026 estimate for each segment rather than applying a single rate, with growth assumptions that may soften in relative terms over the four years to 2030 (Table 10.3).

Four scenarios are considered:

- **High:** This assumes the momentum of the last twelve months continues (reducing proportionately year on year), supported by continued demand for AI skills and new firm formations continuing at the 2025 rate;

- **Medium:** This assumes anchor employers retain the teams they have built and add headcount at a smaller but ongoing rate, with mid-sized and small firms growing at the rate achieved by the tracked 3 to 9 FTE band over the last twelve months. This also assumes that firm incorporations are typically micro in scale, and that productivity grows at a softened rate;
- **Low:** This assumes that AI activity is more absorbed into existing roles rather than reflecting 'new headcount;' that externally owned operations maintain AI headcount levels; and that micro firms remain limited with respect to headcount; and
- **Negative scenario: Whilst we do not** necessarily forecast an immediate decline, we note that Northern Ireland could be susceptible to exogenous factors which could negatively impact headcount, potentially including restructuring decisions taken outside Northern Ireland reducing the size and scale of existing inward investment, and for existing firms that reduce or limit headcount as agentic AI adoption increases.

The assumptions and rationale for each scenario are set out below.

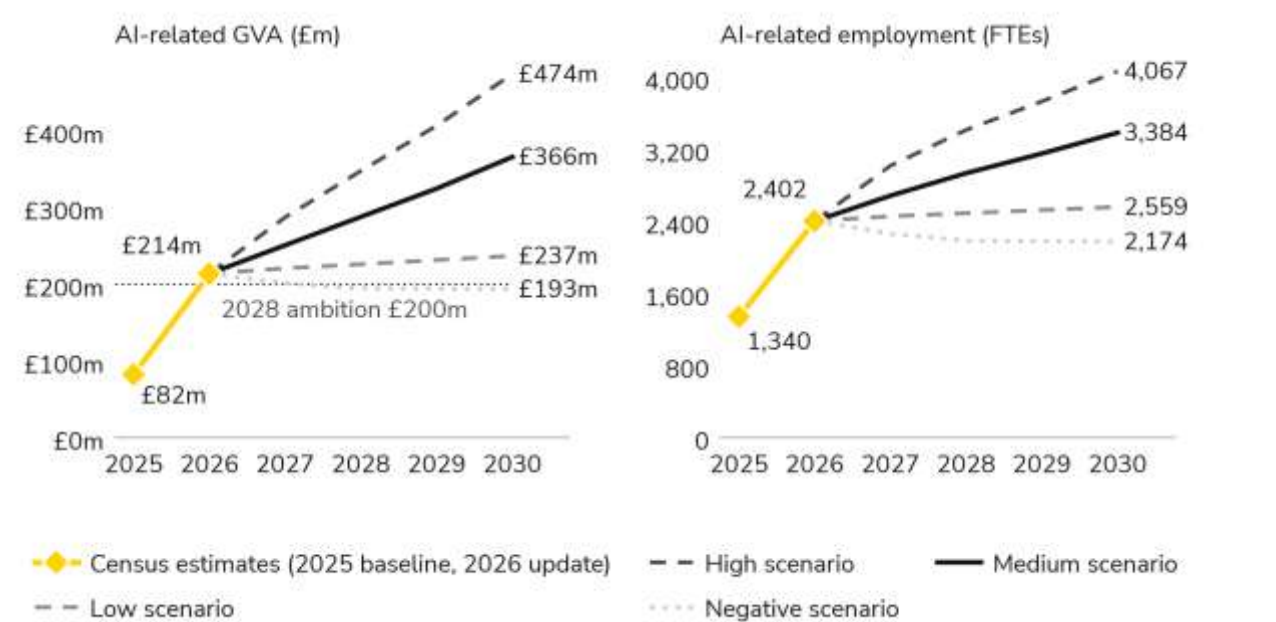
Table 10.3 Scenario assumptions: annual growth in AI-related FTEs by segment (%), 2027 / 2028 / 2029 / 2030

Segment (2026 AI FTEs)	High	Medium	Low	Negative
Large, GB-owned (635)	30% in 2027 12% in 2028 8% thereafter	12% in 2027 8% in 2028 5% thereafter	2% in 2027 No growth thereafter	-5% in 2027 -3% in 2028 No growth thereafter
Large, inward investor (449)	25% in 2027 12% in 2028 8% thereafter	8% in 2027 5% in 2028 3% thereafter	No growth assumed	-12% in 2027 -5% in 2028 No growth thereafter
Large, NI-founded (143)	25% in 2027 15% in 2028 10% in 2029 8% thereafter	12% in 2027 10% in 2028 8% in 2029 6% thereafter	3% assumed year on year	No growth assumed
Mid, 10 to 49 (604)	25% in 2027 12% in 2028 8% thereafter	12% in 2027 10% in 2028 8% in 2029 6% thereafter	3% in 2027 2% thereafter	-5% in 2027 -3% in 2028 No growth thereafter
Small, 3 to 9 (380)	15% in 2027 10% in 2028 8% thereafter	8% assumed year on year	No growth assumed	-5% in 2027 and 2028 -3% thereafter
Micro, 1 to 2 (191)	10% in 2027 8% in 2028 5% thereafter	5% assumed year on year	-3% assumed year on year	-10% in 2027 and 2028 -5% thereafter
New entrants a year (AI FTEs each)	55 (0.9)	45 (0.9)	30 (0.8)	20 (0.7)
GVA per AI FTE, annual productivity growth	7%	5%	1%	0%

Source: Perspective Economics. Segments defined on 2026 AI FTEs; new entrants enter at the stated FTEs per firm and then grow with the micro segment. GVA per AI FTE starts at £88,919.

Figure 10.1 shows AI-related GVA reaching £474m under the high scenario and £366m under the medium scenario by 2030, with employment of between 3,400 and 4,100 FTEs. The medium scenario reflects growth of 7% per year in employment and 11% per year in GVA over the four years, with GVA growing faster than headcount as productivity increases.

Figure 10.1 AI-related GVA and employment: 2025 baseline, 2026 estimate and four scenarios to 2030



Source: Perspective Economics. Census estimates for the 2025 baseline (2024 basis) and the 2026 update; scenario paths compound from the 2026 estimate for the 400 firms in scope. PE estimate, FTE basis.

Recommendations

The 2025 baseline set out eight emerging recommendations for AICC and partners. This section considers the progress against each of these a year on and explores emerging recommendations for 2026.

BASELINE 2025 RECOMMENDATIONS AND THE POSITION IN 2026

2025 recommendation	Position in 2026	Evidence
1. Champion deployment-led growth: (Northern Ireland should position itself as an applied implementation leader in AI)	This research finds a significant increase in the supply side of firms implementing AI. Diversified firms now represent an estimated 63% of AI employment. However, deployment across the wider business base remains more limited, with Northern Ireland potentially having one of the lowest rates of business adoption in the UK. The work of AICC will remain ongoing to support implementation, case studies, and demonstrate areas where AI can support regional productivity.	Sections 5 and 7
2. Strengthen public sector AI leadership	This is in progress, with the Draft AI Strategy out for consultation and Office of AI and Digital established. However, increased investment, delivery and clear targets will need to follow in the coming months to strengthen this position.	Sections 4 and 9
3. Regional balance	We find marginal improvements, with Belfast's share of AI firms moving from 73% to 68%, and employment 89% to 87%. Derry and Strabane now have an estimated 31 firms working in AI.	Section 5
4. Super-connector role and national funding	This activity remains ongoing and productive, driven by the AICC and Momentum One Zero MoU (December 2025), Cyber-AI Hub partnerships, and the emergence of the NI strategy.	Sections 4, 5 and 6
5. High-value talent pipelines	The demand for AI skills appears to be strong and increasing, with AI-related postings up 161%, and Northern Ireland firms joint second in the UK on reporting AI training. The supply may be more limited, but ongoing investment in skills pathways and micro-qualifications continues.	Sections 7 and 8
6. AI skills deep dive	This research explores additional skills and workforce factors, with the AI strategy proposing a Workforce Observatory as a potential mechanism to explore skills and workforce displacement in more detail in future.	Section 8
7. Northern Ireland AI adoption study	This is explored in partial detail, in part through the BICS regional analysis across three waves, which now provides a tracked adoption series. However, Northern Ireland specific barrier research has not been undertaken to date.	Section 7
8. Open ecosystem dashboard	The AICC remains committed to open reporting, having published its recent 2025 Impact Report and Commercial Provider list.	AICC Impact Report 2025

Source: Perspective Economics, AICC Baseline Study 2025 and this update.

Recommendations for 2026

Based on this update, we set out the following recommendations for AICC, partners and the wider Northern Ireland AI ecosystem.

PRIVATE SECTOR

- **Target adoption support at the scaling transition:** The adoption evidence suggests that Northern Ireland businesses match the UK at initial use of AI and at the deep end of use but fall short in the intermediate levels. AICC and Invest NI provision could be framed around moving AI from a small number of staff or single function to a more embedded business level, including integration, governance, and whole-team training, alongside sector-specific demonstrators showing what works.
- **Ongoing funded adoption support:** Scotland and Wales have introduced funded SME adoption programmes (Section 4), and Northern Ireland has no equivalent (albeit some initiatives may be in development at a council level). Co-investment support, in which firms contribute a share of eligible costs, could target firms ready to commit to implementation and support transformational projects of greater scale.
- **Grow the middle tier of the supply base:** The 78 firms with three to nine AI FTEs are unchanged in number since 2025, whilst both tails have grown. Scale-up provision, including investment readiness, first enterprise customers and follow-on funding, could be measured by firms moving from the early-stage band into this group and from this group into the larger 'anchor' group.
- **Use the local supply chain:** Local firms name hundreds of Northern Ireland customer organisations, and case studies in Section 6 demonstrate local firms procuring AI capability from each other. This may suggest brokerage and introductions between the firms and the wider business base, particularly in manufacturing, agri-food, and financial services, can offer a low-cost route to both adoption and revenue.

PUBLIC SECTOR

- **Set out the scale, timelines, and ownership of the AI Strategy:** The draft strategy is the first Executive-level AI Strategy for Northern Ireland; however, its value will depend on the final strategy setting out an indicative scale of investment, specific actions, and responsibility for delivery across departments, as comparator nations have done (Section 4). The evidence in this report suggests that adoption and procurement will not move without dedicated and skilled resource in this area.
- **Procure AI and build buyer capability:** Departments can use procurement to buy and support AI capability, adopt lessons from the Government Digital Service (GDS) and open-source AI tooling, and run challenge-led pilots in health, infrastructure, and education. Many areas remain speculative or early with regard to return on investment and efficacy. Procurement should therefore be able to adapt to modular and phased contracts, and departments should share what works, what does not, and emerging findings on AI contract delivery, indicative benefits, costs and return to the public sector.
- **Sustain and scale AICC delivery in line with demand:** AICC is ahead of pace against its published targets at the close of year two, and can support wider adoption, skills, and demonstrator activity. Consideration should be given to provision beyond the current funding period.

- **Track workforce exposure:** Northern Ireland businesses report the least displacement in the UK to date; however, the fastest increase in reported impact is in administrative and contact centre roles, which the Matrix report identifies as among the most exposed. Additional research into Northern Ireland level occupational and task exposure estimates should be developed and considered alongside this census.
- **Support the early-stage pipeline:** We note over 70 new firms registered since the baseline, within which initiatives such as Founder Labs have supported early-stage growth, and AI implementation across a wide range of sectors and use cases. These firms may be increasingly important both in creating high-growth start-ups and in showcasing AI adoption.

WIDER ECOSYSTEM

- **Explore and support Northern Ireland's role in the AI infrastructure layer:** The region has a clear and emergent link to the global AI build-out as a supplier of power, cooling, storage, and networking, through firms such as Seagate, NVIDIA, and AMD. This is a distinct strength that sits within Invest NI's manufacturing remit, in areas where employment growth could be substantial.
- **Develop cross-border opportunities:** The Republic of Ireland accounts for a small share of named customers among both indigenous and externally owned firms in scope (Section 6), despite proximity and Ireland's own AI strategy and statutory AI Office. InterTradeIreland and existing cross-border programmes may offer a route to further develop AI-related trade and collaboration on the island.
- **Better reporting and transparency:** In areas such as procurement and public use of AI, data sharing or the open ecosystem dashboard recommended in the baseline could improve understanding of what works in AI in the region.

Further census updates will provide the opportunity to assess whether adoption across the wider business base, public sector demand and the early-stage funding pipeline have developed alongside the supply side, and the AICC and the research team will continue to work with partners to prioritise research and engagement with industry and policymakers accordingly.

ABOUT THE AI COLLABORATION CENTRE (AICC)

The AI Collaboration Centre is a pioneering £16.3m initiative led by Ulster University, in partnership with Queen's University Belfast. Its mission is to advance awareness and adoption of Artificial Intelligence (AI) technologies among businesses, specifically SMEs, across Northern Ireland.

Supported by Invest Northern Ireland and the Department for the Economy NI, it aims to enhance competitiveness, boost productivity, and promote the ethical and responsible use of AI across diverse industries. Its vision is to accelerate AI adoption within SMEs, build AI skills capacity, foster collaboration, and drive innovation across key sectors, creating meaningful impact.

ABOUT PERSPECTIVE ECONOMICS

Perspective Economics is an applied research consultancy specialising in evidence-led economic and policy analysis. We work with government, industry, and academia to help map new sectors, and assess the economic impact and potential of emerging technologies.



Perspective Economics was commissioned by the Artificial Intelligence Collaboration Centre (AICC) to deliver this second annual Capability Census of Northern Ireland's AI ecosystem, updating the 2025 baseline.

To discuss this report, please get in touch with the AICC at aicc@ulster.ac.uk or the Perspective Economics research team at info@perspectiveeconomics.com.