(Gen)AI and data use in Luxembourg survey 2025

From experimentation to execution

Introduction

Since 2019, we have conducted the "Use of Data & AI in Luxembourg" survey. In just a few years - a lifetime in the fast-changing world of data and AI - the landscape has evolved dramatically.

To reflect these changes, we have rebranded the survey as the **(Gen)AI and Data Use in Luxembourg Survey**, acknowledging the transformative impact of AI technologies in our country.

For the first time, we have expanded our reach through collaborations with ABBL, ACA, and their members, ensuring strong representation from Luxembourg's financial sector. We also opened the survey to the public, moving beyond the organisers' immediate networks.

These efforts paid off: the 2025 edition attracted an unprecedented **101 respondents**, including more than **70 participants from the financial sector.** Thanks to this broader participation, we can now provide insights across eight key sectors of Luxembourg's economy, from the public sector and operational companies, to banking, insurance, and other financial services – all of this with a stronger statistical foundation.

This comprehensive overview allows us to assess not only how (Gen)AI is already reshaping day-to-day operations but also how organisations are preparing for the EU AI Act, the world's most ambitious AI regulatory framework.

"Luxembourg stands at a crucial moment where AI ambition, regulatory certainty, and market readiness converge. Organisations that act decisively now – building both technical capabilities and valuable use cases – will define the next chapter of our digital economy."

Thierry Kremser,
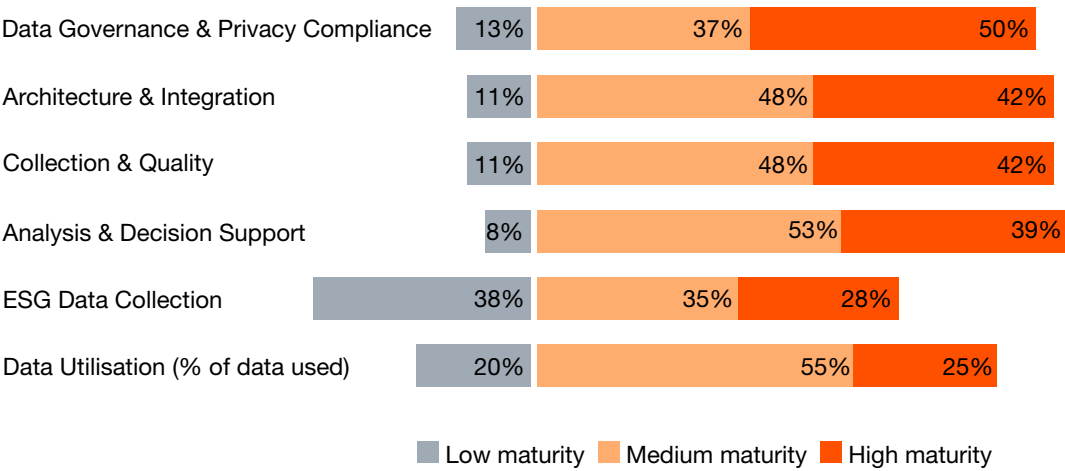Advisory Partner, Deputy Advisory & Technology Leader, PwC Luxembourg

Highlights

The data readiness reality check

While 50% of organisations are strong in data governance and privacy compliance, only 25% have reached high maturity in using data effectively – especially regarding ESG. This highlights a worrying gap between being regulation-ready and turning data into strategic value. Organisations should develop clear data utilisation roadmaps that build on their solid foundations, focusing on high-impact areas like ESG reporting or operational efficiency improvements.

Question: How do you see your organisation's maturity in the following data aspects?

	Low maturity	Medium maturity	High maturity
Data Governance & Privacy Compliance	13%	37%	50%
Architecture & Integration	11%	48%	42%
Collection & Quality	11%	48%	42%
Analysis & Decision Support	8%	53%	39%
ESG Data Collection	38%	35%	28%
Data Utilisation (% of data used)	20%	55%	25%

■ Low maturity ■ Medium maturity ■ High maturity

50%

of organisations report a high level of maturity in Data Governance.

20%

of organisations are not significantly using the data they are collecting.

The data presents a clear picture of organisational data maturity across six key data management aspects. Data Governance & Privacy Compliance stands out as the most advanced area, with half of all organisations reporting high maturity and only 13% at low maturity. This likely reflects the regulatory pressures and compliance requirements that have driven investments in data governance frameworks in recent years. Organisations appear to have established solid data infrastructure and quality control mechanisms, though many remain in the medium maturity phase.

The most concerning area is ESG Data Collection, where 38% of organisations report low maturity-substantially higher than any other category. With only 28% achieving high maturity, this highlights ESG data as an emerging priority that many organisations are still struggling to address effectively. When queried on this topic, participants cited challenges in data access for this domain.

Data Utilisation similarly reveals challenges, with 20% at low maturity and only 25% at high maturity. This suggests a significant gap between data collection and extracting value from data assets, with the majority (55%) of organisations still working to improve how effectively they use their data.

Data ecosystem fingerprint: technology adoption across sectors

Most businesses now use internal and structured data as their foundation, while advanced tools like data lakes and master data management give some companies a competitive edge. Entities should investigate their data strategies to map more advanced data tools to specific business outcomes. The focus should be on areas where they can gain a competitive advantage or achieve significant operational efficiencies.

Question: To what extent are you using the following data sources and technologies?

	Internal data (e.g. ERP)	External data (e.g. financial data providers)	Structured data (e.g. databases, CSV, Excel)	Unstructured data (e.g. emails, PDFs, images)	Local storage systems	Cloud storage	Master Data Management systems	Data lake solution
Asset and Wealth Management	95%	86%	95%	76%	81%	81%	43%	29%
Banking	93%	89%	96%	82%	82%	64%	21%	18%
Alternative Investments	83%	53%	100%	83%	50%	83%	17%	33%
Insurance	88%	88%	100%	100%	88%	50%	13%	25%
Other Financial Services	100%	64%	100%	64%	45%	73%	36%	18%
Operational Companies	100%	43%	100%	93%	57%	86%	43%	29%
Public Sector	100%	30%	100%	70%	80%	60%	20%	29%
Services	100%	100%	100%	100%	100%	67%	0%	0%

86%

of operational companies report using cloud data storage.

No industry has more than

33%

usage of data lake solutions.

We can identify distinct patterns in how different sectors leverage data sources and technologies. Internal data sources (e.g., ERP) and structured data (e.g., databases, CSV, Excel) show consistently high utilisation across all sectors, with nearly universal adoption. Luxembourg's organisations are mastering these foundational technologies across all sectors. Cloud storage shows strong adoption across most sectors, with Operational companies leading at 86%. This suggests cloud infrastructure has become a mainstream technology even in traditionally security-conscious industries.

The most significant technology gaps appear in advanced data management systems. Master data management systems show particularly low adoption in Insurance (13%) and services (0%), while data lake solutions remain minimally implemented across most sectors, with the highest adoption in Alternative investments at 33%.

The banking sector shows a relatively balanced technology portfolio across most categories, demonstrating its technological maturity, though it still shows room for growth in master data management (21%) and data lake solutions (18%).
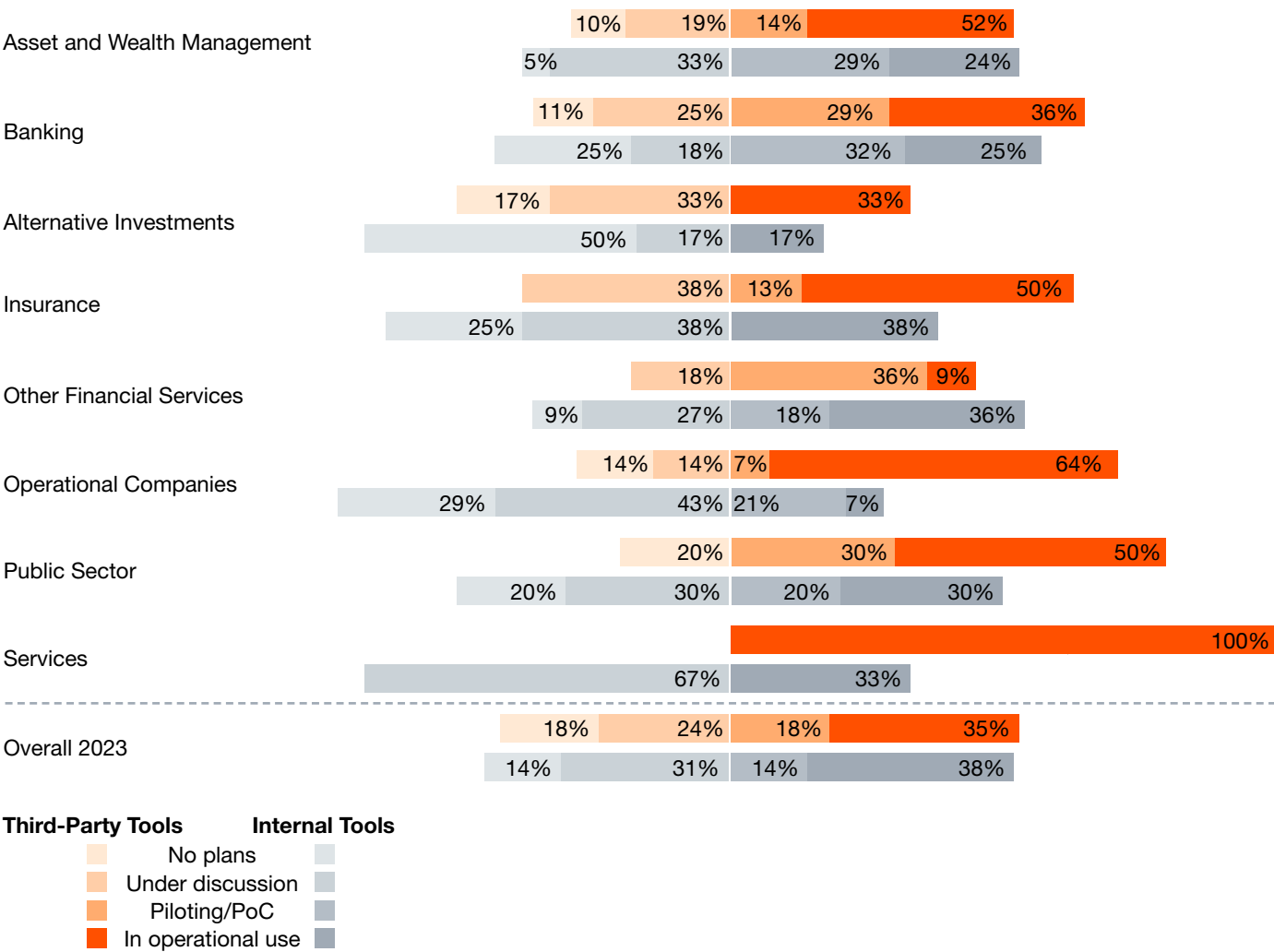
Towards operational use of (Gen)AI

Between 2023 and 2025, businesses rapidly shifted from experimenting with AI to putting it to work. Third-party (Gen)AI tools are used by 64% of operational companies, while 57% of banks are working on internal tools, both far above the 2023 numbers. There is however still significant room to grow, as according to recent studies more than 80% of CEOs expect a comprehensive use of (Gen)AI.

Question: What is your current adoption status on third party or internal (Gen)AI tools?

Asset and Wealth Management
- Third-Party: 10% | 19% | 14% | 52%
- Internal: 5% | 33% | 29% | 24%

Banking
- Third-Party: 11% | 25% | 29% | 36%
- Internal: 25% | 18% | 32% | 25%

Alternative Investments
- Third-Party: 17% | 33% | 33%
- Internal: 50% | 17% | 17%

Insurance
- Third-Party: 38% | 13% | 50%
- Internal: 25% | 38% | 38%

Other Financial Services
- Third-Party: 18% | 36% | 9%
- Internal: 9% | 27% | 18% | 36%

Operational Companies
- Third-Party: 14% | 14% | 7% | 64%
- Internal: 29% | 43% | 21% | 7%

Public Sector
- Third-Party: 20% | 30% | 50%
- Internal: 20% | 30% | 20% | 30%

Services
- Third-Party: 100%
- Internal: 67% | 33%

Overall 2023
- Third-Party: 18% | 24% | 18% | 35%
- Internal: 14% | 31% | 14% | 38%

Third-Party Tools / **Internal Tools**
- No plans
- Under discussion
- Piloting/PoC
- In operational use

50%

of organisations are using third-party GenAI tools in production.

72%

of Operational companies show only limited interest in internally developing (Gen)AI tools.

We see significant variations in (Gen)AI tools adoption across different sectors, with distinctive patterns between third-party and internal implementation approaches, most notably in the services sector.

The non-financial sectors show a strong prevalence for third-party (Gen)AI tools, with more than 50% of respondents reporting operational use, while the situation is inverse for internally developed tools, where less than 33% have tools in operation. In the financial sector the situation is more balanced between internal and external use, while also being more active in piloting or developing PoCs. Alternative investments are an outlier in terms of limited use of (Gen)AI tools in 2025, with only 33% of operational use of third-party tools, and a low 17% of internal tool use. This indicates a strategic preference for vendor solutions in this sector, potentially due to resource specialisation or faster time-to-market needs.

Comparing the 2025 sector-specific data with the overall 2023 industry snapshot reveals significant advancement in (Gen)AI adoption over this two-year period. This acceleration indicates rapid maturation of the landscape, with organisations moving decisively from discussion and piloting stages to operational deployment. The sectoral divergence in adoption strategies by 2025 suggests that as (Gen)AI technologies mature, industries increasingly tailor their implementation approaches to their specific business models, competitive landscapes, and strategic priorities rather than following generalised adoption patterns.

AI use case radar: finding adoption hotspots

Personal productivity serves as the common starting point for AI adoption across industries, with companies focusing on direct individual benefits before moving to complex organisational changes. Forward-looking leaders should consider programs to identify which personal productivity AI successes can be scaled up to process-level improvements, for example by expanding individual writing assistance to automated report generation.

Question: In which of the following (Gen)AI use cases are you interested?

	Process optimisation & RPA	Client knowledge or scoring	Personal productivity	Decision support systems	Fraud prevention & cybersecurity	Document processing & OCR	Research & knowledge work
Asset and Wealth Management	33%	24%	67%	48%	24%	62%	33%
Banking	50%	29%	61%	21%	39%	50%	61%
Alternative Investments	17%	0%	67%	17%	0%	50%	33%
Insurance	75%	25%	63%	0%	13%	63%	38%
Other Financial Services	27%	18%	55%	18%	27%	36%	55%
Operational Companies	57%	14%	93%	21%	7%	50%	43%
Public Sector	30%	40%	50%	40%	20%	60%	40%
Services	67%	33%	100%	67%	33%	67%	100%

Personal productivity and Document processing are the most in-demand use cases for (Gen)AI.

We can see distinctive patterns in how different sectors prioritise (Gen) AI use cases. Personal productivity emerges as the dominant use case across nearly all sectors with consistently high percentages across most sectors, with the exception of public administrations. This universal appeal suggests organisations see immediate value in AI-powered productivity enhancements that can be implemented at the individual level.

Document processing and OCR also demonstrates strong cross-sector appeal, with more than half of the respondents interested. This indicates widespread recognition of (Gen)AI's potential to transform document-heavy workflows that are common across these industries. Research and knowledge work also shows strong interest across sectors, reflecting the value of (Gen)AI for information-intensive activities common in these industries.
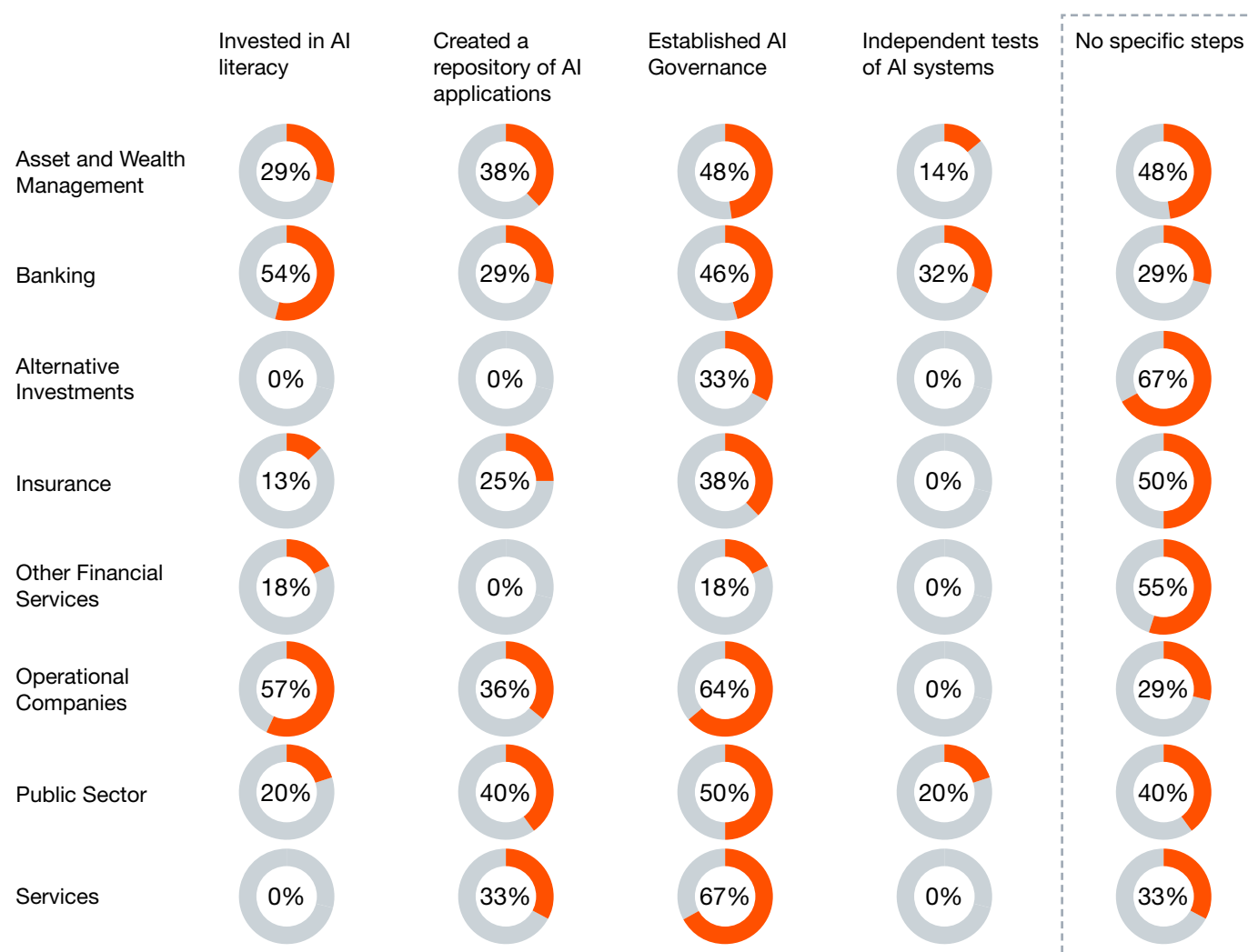
Notable gaps appear in certain use cases. Client knowledge is not a very popular use case for financial institutions as most of them are performing back-office functions in Luxembourg, however the limited interest in fraud prevention is surprising, given the relevance of the topic. Another interesting observation is the limited interest of the insurance sector in decision support systems, while claims processing is a costly process. There are potential further areas for use case development, when organisations further develop their AI strategies.

The data highlights how organisations are prioritising (Gen)AI applications that align with their core operations while showing more selective interest in specialised use cases that may require deeper integration or pose greater implementation challenges.

Taking action vs taking your time: EU AI Act compliance across Luxembourg's economy

Luxembourg's banks are actively preparing for EU AI regulations, while alternative investment firms are waiting to see what happens, showing the mixed response across Europe as it tries to balance AI innovation with proper oversight. There are several no-regret areas on the road to EU AI Act Compliance, including building an inventory of AI systems and defining their associated risks, fulfilling training requirements towards AI literacy, and ideally setting up a comprehensive AI Governance.

Question: What steps has your organisation taken to comply with the EU AI Act? (multiple choice)

	Invested in AI literacy	Created a repository of AI applications	Established AI Governance	Independent tests of AI systems	No specific steps
Asset and Wealth Management	29%	38%	48%	14%	48%
Banking	54%	29%	46%	32%	29%
Alternative Investments	0%	0%	33%	0%	67%
Insurance	13%	25%	38%	0%	50%
Other Financial Services	18%	0%	18%	0%	55%
Operational Companies	57%	36%	64%	0%	29%
Public Sector	20%	40%	50%	20%	40%
Services	0%	33%	67%	0%	33%

The data reveals significant variations in how Luxembourg's economic sectors are responding to EU AI Act compliance. Banking leads the financial sector, with 54% investing in AI literacy and 46% establishing governance frameworks, reflecting the sector's regulatory experience and Luxembourg's financial hub status.

Operational companies show a balanced approach with strong investments in AI literacy (57%), governance (64%), and application repositories (36%), likely due to their direct integration of AI into business processes.

In contrast, Alternative investments show minimal compliance activity with 67% taking no specific steps, while the public sector shows modest but balanced compliance measures.

Asset and wealth management shows equal portions (48%) investing in governance and taking no steps, reflecting uncertainty about regulatory requirements.

Overall, this data indicates uneven AI Act preparedness across Luxembourg's economy. The substantial percentages of organisations taking no specific steps across multiple sectors suggests many are still in early compliance stages, creating potential regulatory risk as enforcement approaches. This landscape presents both challenges and opportunities for Luxembourg as it navigates the EU's emerging AI regulatory framework.

Conclusion

Rapid acceleration of (Gen)AI implementation

Between 2023 and 2025, sectors have rapidly transitioned from exploratory phases to operational AI implementation. This period saw significant increases in both internal and third-party tool adoption. This rapid acceleration indicates a decisive shift towards integrating (Gen)AI technologies into core business operations, reflecting the growing maturity and strategic importance of AI across various industries.

Personal productivity as universal entry point

The near-unanimous interest in personal productivity underscores its critical role in driving initial (Gen)AI engagement. Nearly all organisations prioritise use cases that deliver immediate individual-level benefits before tackling more complex, systemic implementations. This trend highlights the widespread recognition of (Gen)AI's potential to enhance personal efficiency and effectiveness, making it a foundational application that paves the way for broader AI adoption.

Opportunity gap in data utilisation

Despite advancements in data collection and foundational capabilities since 2023, there remains a significant opportunity gap in data utilisation. While many organisations have established solid data infrastructure and quality control mechanisms, they have not fully maximised the potential of data to drive decisions, with most organisations reporting medium maturity in this domain. This gap represents a critical area for improvement to extract greater value from data assets.

Strong divergence between sectors

There is a strong divergence in (Gen)AI adoption strategies across sectors. For example, operational use of third-party (Gen)AI tools varies between 9% and 100%, with similar gaps reported also in EU AI Act compliance, or the diversity in use cases relevant for our respondents. There is no one-size-fits-all solution around (Gen)AI, and this needs to be reflected in industries tailoring their strategies to their specific business models, regulatory environments, and strategic priorities.

Mind the gaps in AI readiness

Encouragingly, many organisations have begun establishing AI governance. However, fewer have taken foundational steps such as building AI literacy or creating inventories of AI use, actions that are both highly impactful and legally necessary. Without these, governance frameworks may struggle to deliver their full value. These early-stage priorities represent low-hanging fruit that can significantly strengthen responsible AI adoption. An overall insight is clear: to make governance truly effective, organisations must invest not only in policies but also in the people and systems that bring them to life.
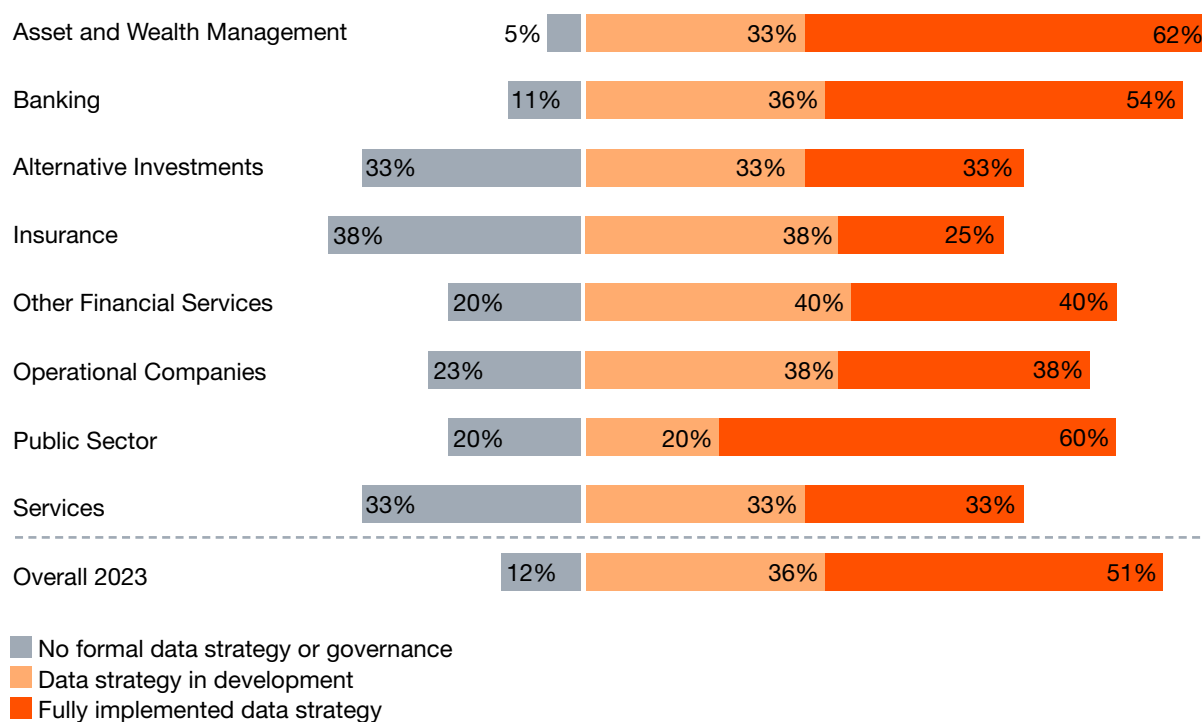
Main results

Data strategy

Question: What is the maturity of your data strategy?

Asset and Wealth Management: 5% No formal data strategy or governance, 33% Data strategy in development, 62% Fully implemented data strategy

Banking: 11%, 36%, 54%

Alternative Investments: 33%, 33%, 33%

Insurance: 38%, 38%, 25%

Other Financial Services: 20%, 40%, 40%

Operational Companies: 23%, 38%, 38%

Public Sector: 20%, 20%, 60%

Services: 33%, 33%, 33%

Overall 2023: 12%, 36%, 51%

■ No formal data strategy or governance
■ Data strategy in development
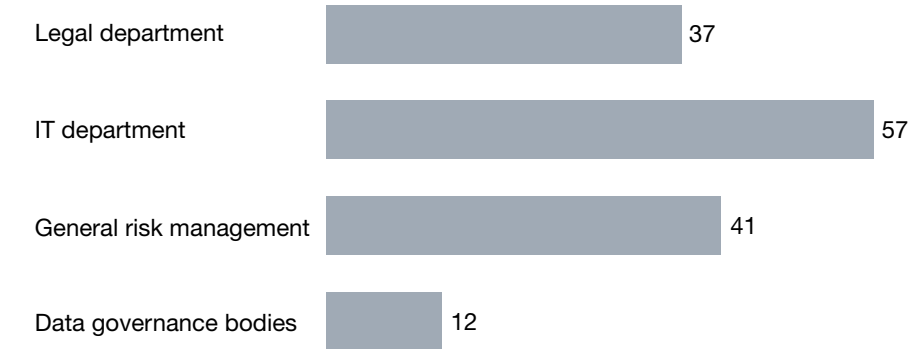■ Fully implemented data strategy

62%

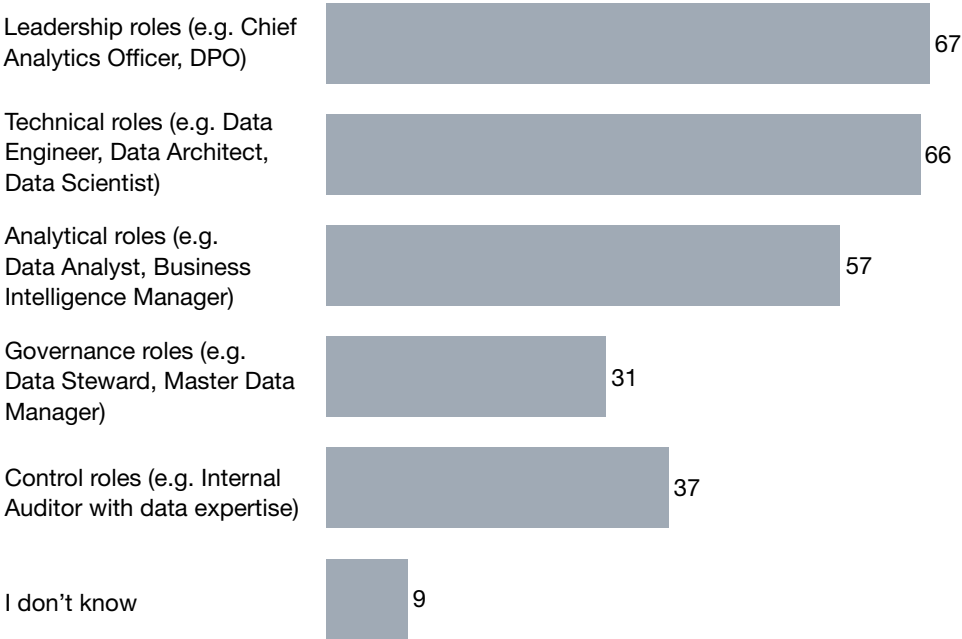of Asset and wealth management companies report a fully implemented data strategy.

Data strategy maturity continues to vary significantly across sectors. Asset and wealth management leads, with 62% of organisations reporting fully implemented strategies, followed by the public sector (60%) and banking (54%). Meanwhile, sectors like insurance and services show a higher share of respondents without any formal strategy-38% and 33%, respectively. Others, such as operational companies and Alternative investments, are more evenly split across maturity levels. Compared to the overall 2023 figure of 51% reporting fully implemented strategies, this year's data suggests steady, though uneven, progress across the economy.

Question: Which functions of your organisation are involved in monitoring your data strategy? (multiple choice)

Function	Value
Legal department	37
IT department	57
General risk management	41
Data governance bodies	12

In 2025, organisations reported involving various functions in monitoring their data strategy, with a clear emphasis on IT departments. They were the most cited, highlighting their central role in managing and securing data initiatives. Legal departments and general risk management functions also featured prominently, underlining the focus on compliance and risk control. In contrast, few organisations involved dedicated data governance bodies, suggesting that such structures are either less common or integrated into broader risk or legal functions.

Question: Which data-related roles exist in your organisation?

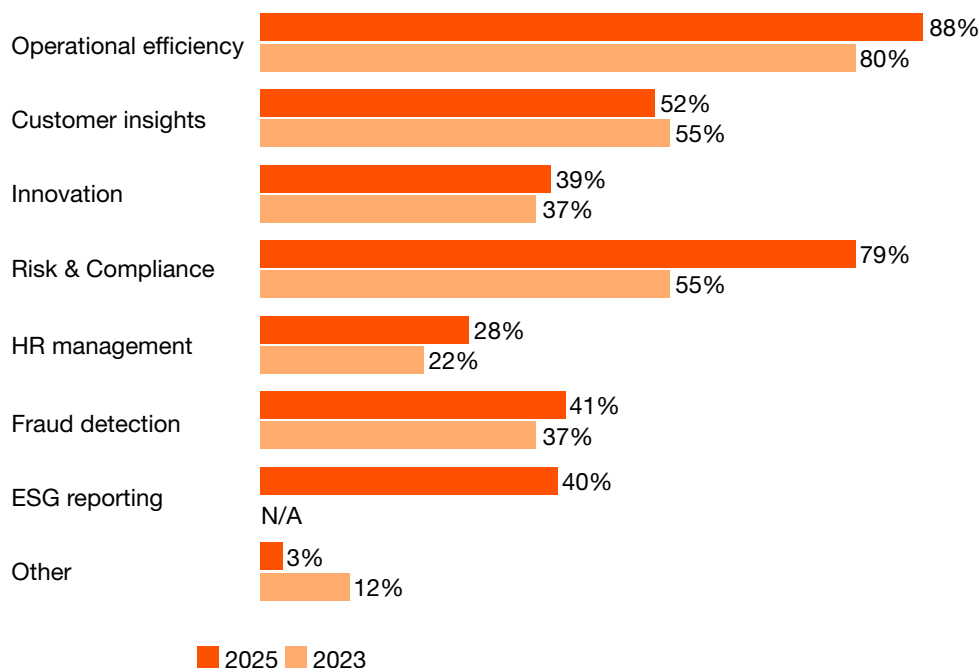| Role	Value
Leadership roles (e.g. Chief Analytics Officer, DPO)	67
Technical roles (e.g. Data Engineer, Data Architect, Data Scientist)	66
Analytical roles (e.g. Data Analyst, Business Intelligence Manager)	57
Governance roles (e.g. Data Steward, Master Data Manager)	31
Control roles (e.g. Internal Auditor with data expertise)	37
I don't know	9

In 2025, organisations reported a strong presence of data-related roles, with leadership and technical functions emerging as the most common. Roles such as Chief Analytics Officers, Data Engineers, and Data Scientists are well established, each cited by nearly 70 respondents. Analytical roles also feature prominently, reflecting widespread use of data insights in decision-making. Governance and control roles are less frequently reported, suggesting that while data use is operationally supported, formal oversight structures may be less mature.

Use of data and data analytics

Question: What are your primary reasons to collect data? (multiple choice)

| Category	2025	2023
Operational efficiency	88%	80%
Customer insights	52%	55%
Innovation	39%	37%
Risk & Compliance	79%	55%
HR management	28%	22%
Fraud detection	41%	37%
ESG reporting	40%	N/A
Other	3%	12%

■ 2025 ■ 2023

88%

of respondents are collecting data to improve operational efficiency.

Operational efficiency remains the dominant reason for data collection, cited by 89 of respondents. Risk and compliance also rank highly, reinforcing the regulatory and risk-driven use of data. Compared to 2023, customer insights and innovation remain steady motivations, while fraud detection and HR management show modest increases. Notably, ESG reporting appears as a new response option in 2025, reflecting growing attention to sustainability and regulatory transparency. The consistent rise in most categories suggests a broadening of data use cases, with organisations increasingly aligning data collection to both operational goals and emerging strategic priorities.

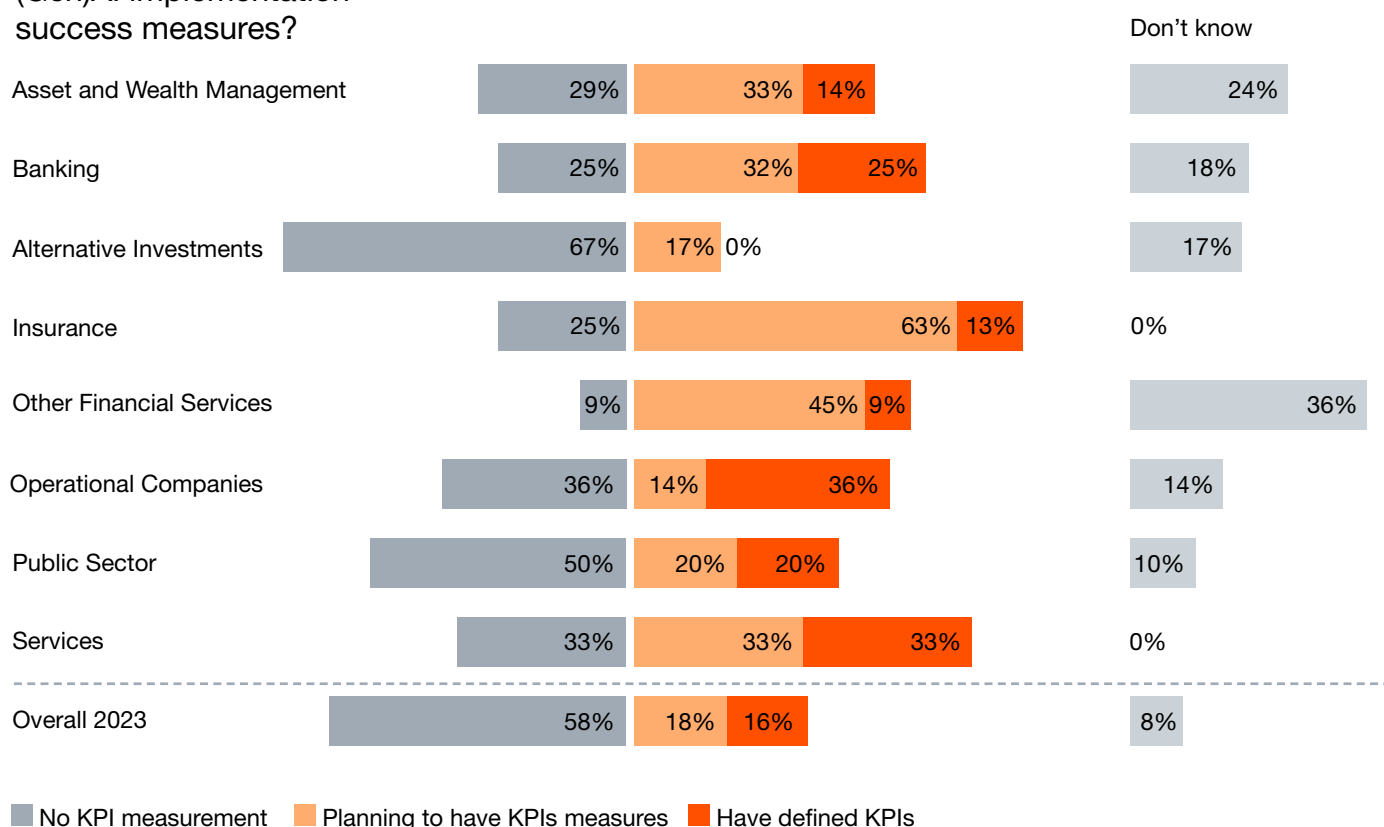**Question:** What data visualisation tools do you use?
(multiple choice)
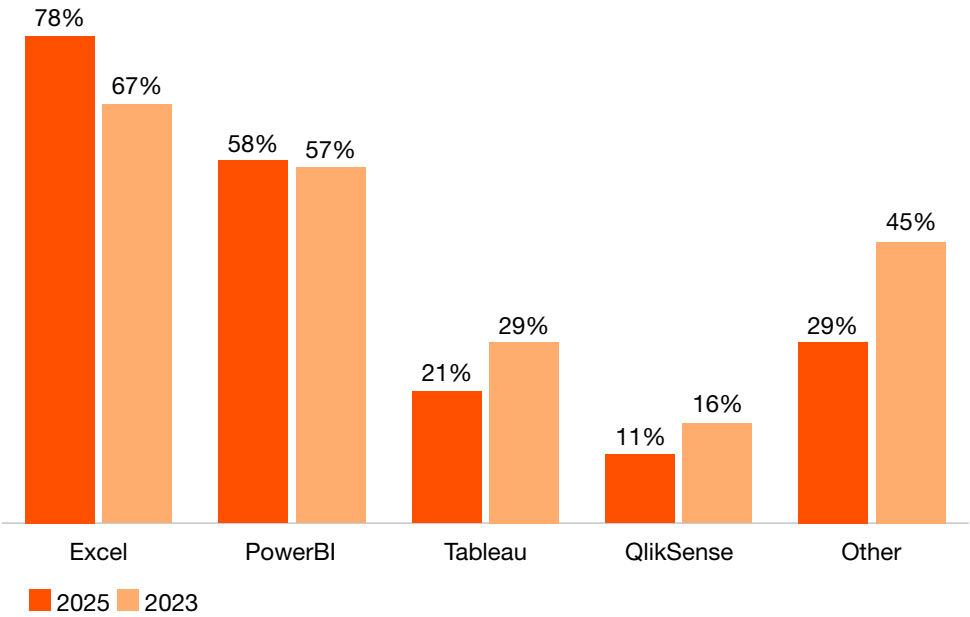
Excel continues to dominate as the most widely used data visualisation tool in 2025, with adoption increasing further since 2023. Power BI maintains a strong presence, with usage levels remaining stable across both years. Tableau and QlikSense show slight declines, indicating a possible shift toward simpler or more integrated solutions. Interestingly, fewer respondents reported using "Other" tools in 2025, suggesting some consolidation around mainstream platforms. The share of organisations using no tools at all has dropped to nearly zero, reflecting a broader commitment to visualising data as a standard business practice.
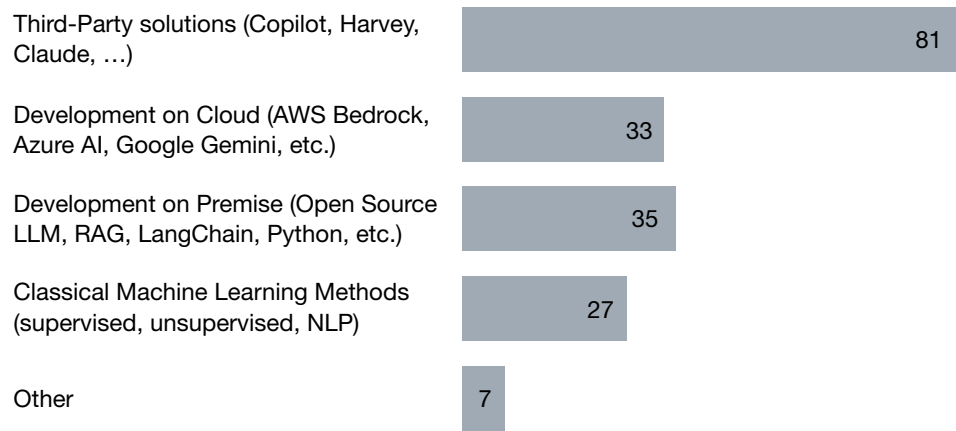
(Generative) Artificial Intelligence

Question: What are your (Gen)AI implementation success measures?

Sector	No KPI measurement	Planning to have KPIs measures	Have defined KPIs	Don't know
Asset and Wealth Management	29%	33%	14%	24%
Banking	25%	32%	25%	18%
Alternative Investments	67%	17%	0%	17%
Insurance	25%	63%	13%	0%
Other Financial Services	9%	45%	9%	36%
Operational Companies	36%	14%	36%	14%
Public Sector	50%	20%	20%	10%
Services	33%	33%	33%	0%
Overall 2023	58%	18%	16%	8%

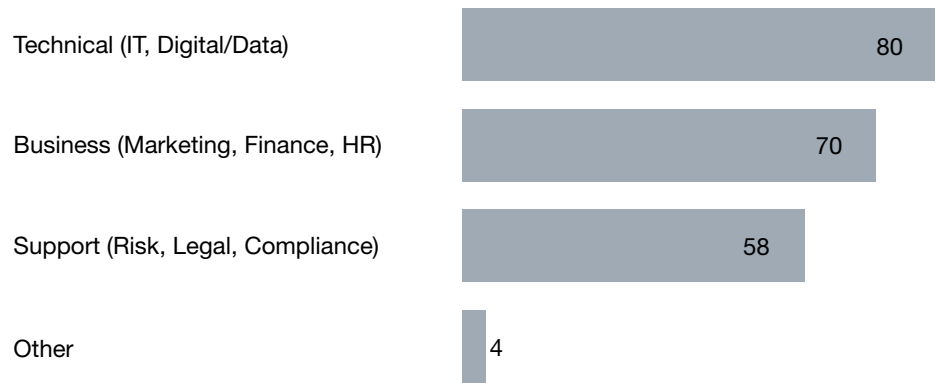◼ No KPI measurement ◼ Planning to have KPIs measures ◼ Have defined KPIs

Organisational approach to measuring (Gen)AI implementation success remains uneven in 2025. Defined KPIs are still the exception rather than the rule, with only a few sectors - operational companies and services - reporting strong adoption (36% and 33%, respectively). In contrast, Alternative investments show the weakest engagement, with 67% lacking any KPI measurement. Across all sectors, uncertainty remains: "Don't know" responses are particularly high in asset and wealth management (24%) and other financial services (36%). These results point to an ongoing maturity gap in (Gen)AI oversight.

Question: What is your (Gen)AI technology landscape? (multiple choice)

Third-Party solutions (Copilot, Harvey, Claude, …)	81
Development on Cloud (AWS Bedrock, Azure AI, Google Gemini, etc.)	33
Development on Premise (Open Source LLM, RAG, LangChain, Python, etc.)	35
Classical Machine Learning Methods (supervised, unsupervised, NLP)	27
Other	7

Third-party solutions dominate the (Gen)AI technology landscape in 2025, with a significant lead over all other options. Tools like Copilot, Harvey, and Claude are used by the vast majority of respondents, indicating a strong preference for ready-made, commercial AI offerings. Development on cloud platforms and on-premises environments show equal uptake, reflecting a balanced interest in customisation and infrastructure control. Classical machine learning methods still play a role but are less prominent. The data points to a shift toward ease of integration and rapid deployment in (Gen)AI adoption.
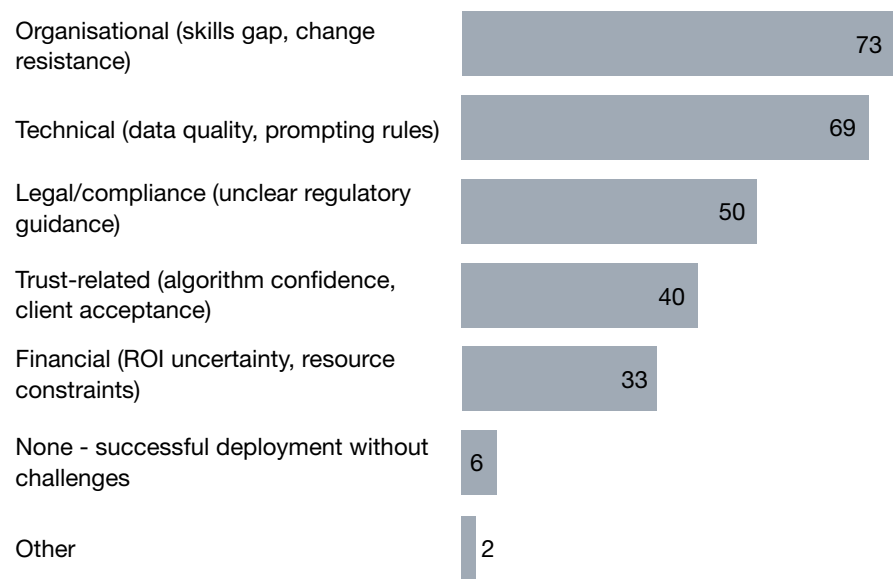
Question: Which functions are involved in (Gen)AI implementation? (multiple choice)

Technical (IT, Digital/Data)	80
Business (Marketing, Finance, HR)	70
Support (Risk, Legal, Compliance)	58
Other	4

(Gen)AI implementation in 2025 is clearly a cross-functional effort, with technical, business, and support functions all playing active roles. Technical teams (including IT, digital, and data functions) are the most involved, reflecting their central role in deploying and maintaining AI systems. Business functions such as marketing, finance, and HR closely follow, highlighting the integration of (Gen)AI into core operational areas. Support roles-legal, risk, and compliance-are also widely engaged, underlining the importance of oversight and alignment with regulatory expectations. Most implementations follow well-established organisational pathways.
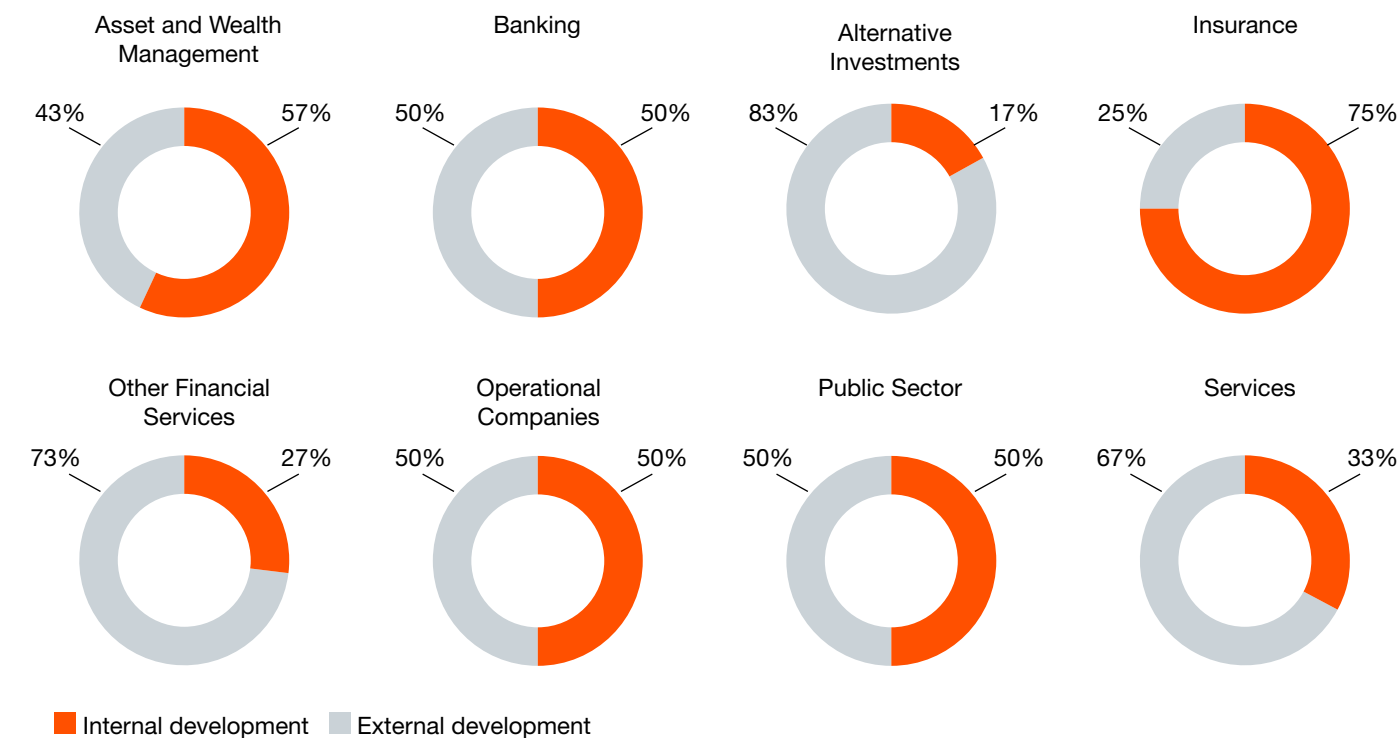
Question: What are your main challenges in (Gen)AI implementation?
(multiple choice)

Challenge	Value
Organisational (skills gap, change resistance)	73
Technical (data quality, prompting rules)	69
Legal/compliance (unclear regulatory guidance)	50
Trust-related (algorithm confidence, client acceptance)	40
Financial (ROI uncertainty, resource constraints)	33
None - successful deployment without challenges	6
Other	2

In 2025, organisations face a broad spectrum of challenges in implementing (Gen)AI, with organisational and technical hurdles leading the list. Skills gaps, change resistance, and unclear responsibilities are the top reported issues, closely followed by concerns around data quality and prompt design. Legal and compliance-related uncertainties also weigh heavily, pointing to the evolving regulatory environment. Trust in AI outputs and financial concerns such as unclear ROI rank lower but still affect a significant number of respondents. Only a small fraction reported no major obstacles, highlighting that successful deployment without friction remains the exception rather than the norm.

Question: When working on PoCs, do you prefer internal development, or working with external parties?

Asset and Wealth Management

43%   57%

Banking

50%   50%

Alternative Investments

83%   17%

Insurance

25%   75%

Other Financial Services

73%   27%

Operational Companies

50%   50%

Public Sector

50%   50%

Services

67%   33%
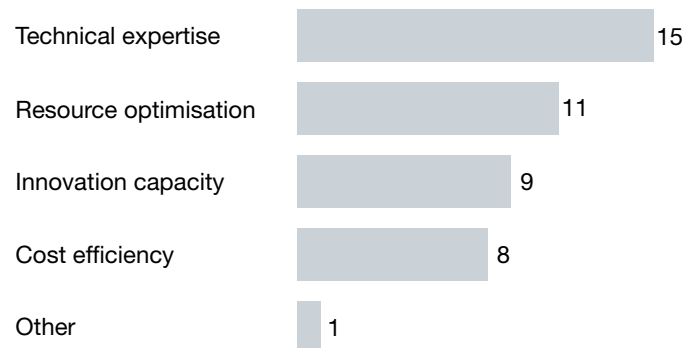
■ Internal development   ■ External development

Approaches to (Gen)AI solution development varies widely by sector in 2025. Insurance stands out with a strong preference for internal development (75%), while Alternative investments show the opposite trend, relying heavily on external solutions (83%). Sectors like asset and wealth management and services strike a more mixed balance, with internal development accounting for 57% and 33%, respectively. Several sectors – including banking, operational companies, and the public sector – report an even 50/50 split, suggesting flexible sourcing strategies. Overall, the data reflects both sector-specific capabilities and differing levels of confidence in building versus buying AI expertise.

75%

of Insurance companies prefer internal development of (Gen)AI solutions.

Question: What is your organisation's main rationale for not developing (Gen)AI PoCs internally?

Technical expertise	15
Resource optimisation	11
Innovation capacity	9
Cost efficiency	8
Other	1

Lack of in-house technical expertise is the most cited reason organisations choose not to develop (Gen)AI proofs of concept internally in 2025. This challenge stands out clearly, ahead of other factors such as resource optimisation and innovation capacity. While resource constraints and the drive to optimise staffing explain many outsourcing decisions, nearly as many respondents highlight limited ability to innovate internally. Cost efficiency ranks lowest, suggesting that financial savings alone are not the primary motivator. Overall, the findings point to a skills and capability gap as the key barrier to fully internal AI experimentation.

Question: What percentage of your turnover are you allocating to (Gen)AI or data innovation?

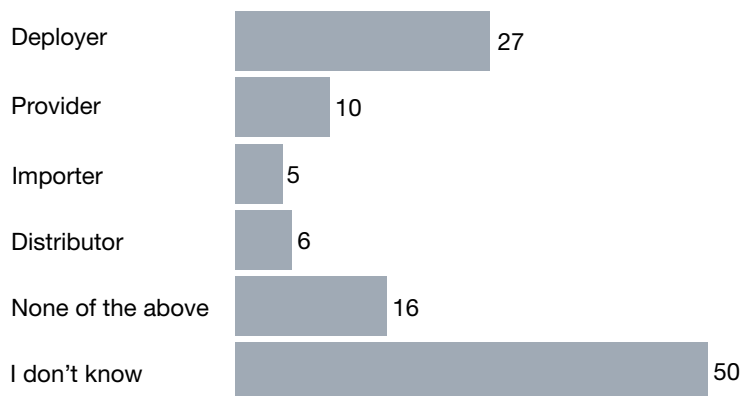|	2025	2023
>5%	5%	14%
3-5%	4%	16%
1-3%	35%	18%
<1%	56%	49%

■ 2025 ■ 2023
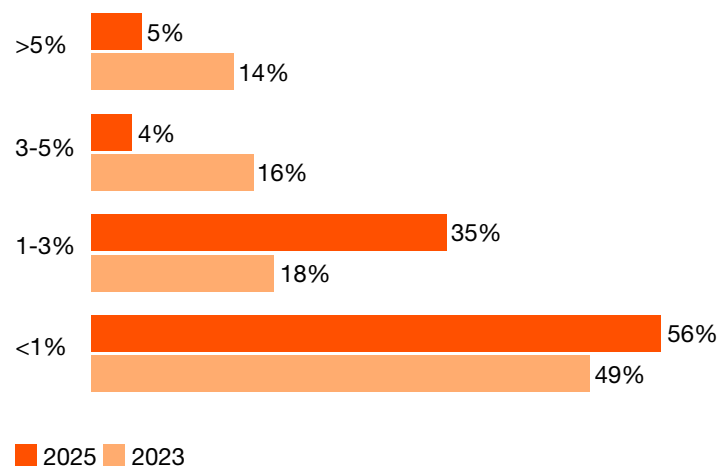
In 2025, most organisations continue to allocate less than 1% of their turnover to (Gen)AI or data innovation, consistent with 2023. However, there is a clear upward shift in mid-range investment: the share of respondents allocating 1–3% has grown noticeably. Higher spending brackets (3–5% and >5%) remain the exception, and in fact, slightly fewer organisations now report investments above 3% compared to two years earlier. The overall picture suggests growing commitment at the lower-to-mid levels, but continued caution when it comes to larger-scale financial bets on AI and data innovation.

European AI Act

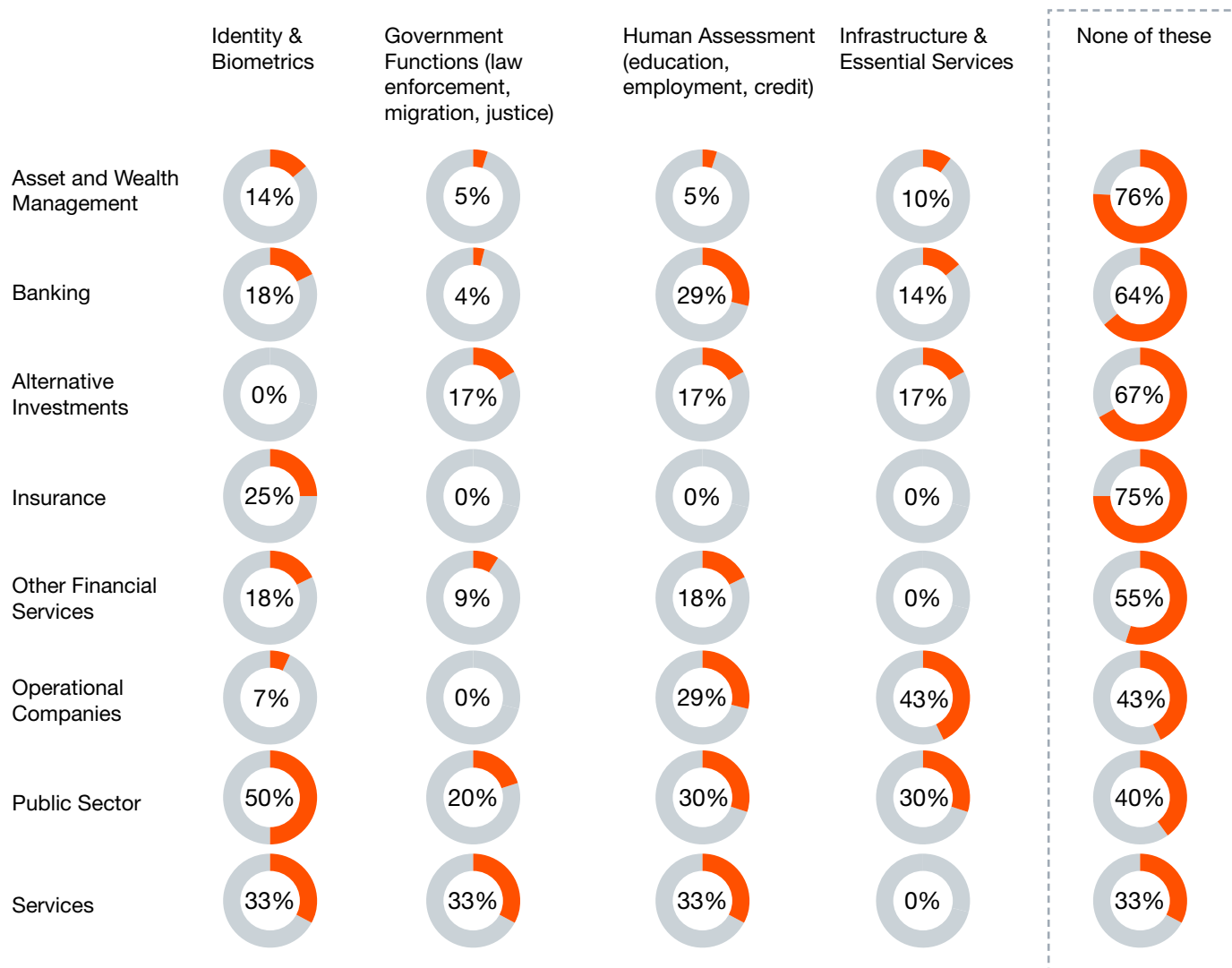**Question:** What is your organisation's role under the AI Act? (multiple choice)

Role	Value
Deployer	27
Provider	10
Importer	5
Distributor	6
None of the above	16
I don't know	50

Awareness of roles under the AI Act remains limited in 2025. Half of the respondents selected "I don't know," indicating widespread uncertainty about their organisation's regulatory classification. Among those who did identify a role, "Deployer" was the most frequently chosen, suggesting that many organisations focus on implementing, rather than developing or distributing, AI systems. Fewer respondents saw themselves as providers, importers, or distributors, which may reflect either limited direct AI product development or uncertainty about the definitions. The results highlight a pressing need for clearer guidance and internal alignment around compliance with the AI Act.
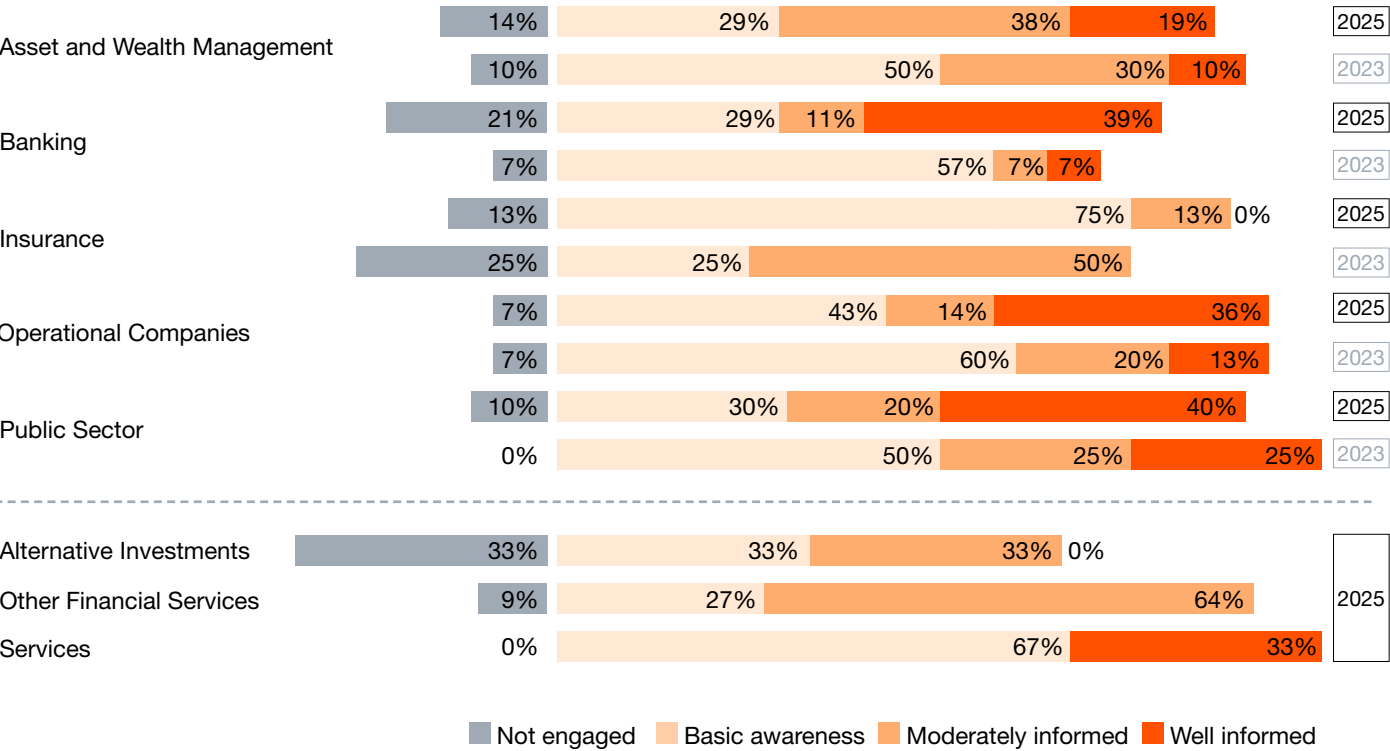
50%

of organisations are unsure of how they are classified under the EU AI Act.

Question: Is your organisation a potential user of any of the following high-risk areas? (multiple choice)

	Identity & Biometrics	Government Functions (law enforcement, migration, justice)	Human Assessment (education, employment, credit)	Infrastructure & Essential Services	None of these
Asset and Wealth Management	14%	5%	5%	10%	76%
Banking	18%	4%	29%	14%	64%
Alternative Investments	0%	17%	17%	17%	67%
Insurance	25%	0%	0%	0%	75%
Other Financial Services	18%	9%	18%	0%	55%
Operational Companies	7%	0%	29%	43%	43%
Public Sector	50%	20%	30%	30%	40%
Services	33%	33%	33%	0%	33%

Most organisations report little or no involvement in high-risk AI use cases as defined under the AI Act. "None of these" was the most selected option across all sectors, particularly in asset and wealth management (76%), insurance (75%), and banking (64%). The public sector and services indicate broader exposure to high-risk categories such as identity and biometrics, human assessment, and infrastructure. The public sector stands out with the highest engagement across all categories. These findings suggest that while most private organisations do not operate in regulated high-risk domains, certain sectors should prepare for increased scrutiny and compliance obligations.

Question: What knowledge does your organisation have of the EU AI Act?

Asset and Wealth Management	14% / 29% / 38% / 19%	**2025**
	10% / 50% / 30% / 10%	2023
Banking	21% / 29% / 11% / 39%	**2025**
	7% / 57% / 7% / 7%	2023
Insurance	13% / 75% / 13% / 0%	**2025**
	25% / 25% / 50%	2023
Operational Companies	7% / 43% / 14% / 36%	**2025**
	7% / 60% / 20% / 13%	2023
Public Sector	10% / 30% / 20% / 40%	**2025**
	0% / 50% / 25% / 25%	2023

- -

Alternative Investments	33% / 33% / 33% / 0%	
Other Financial Services	9% / 27% / 64%	2025
Services	0% / 67% / 33%	

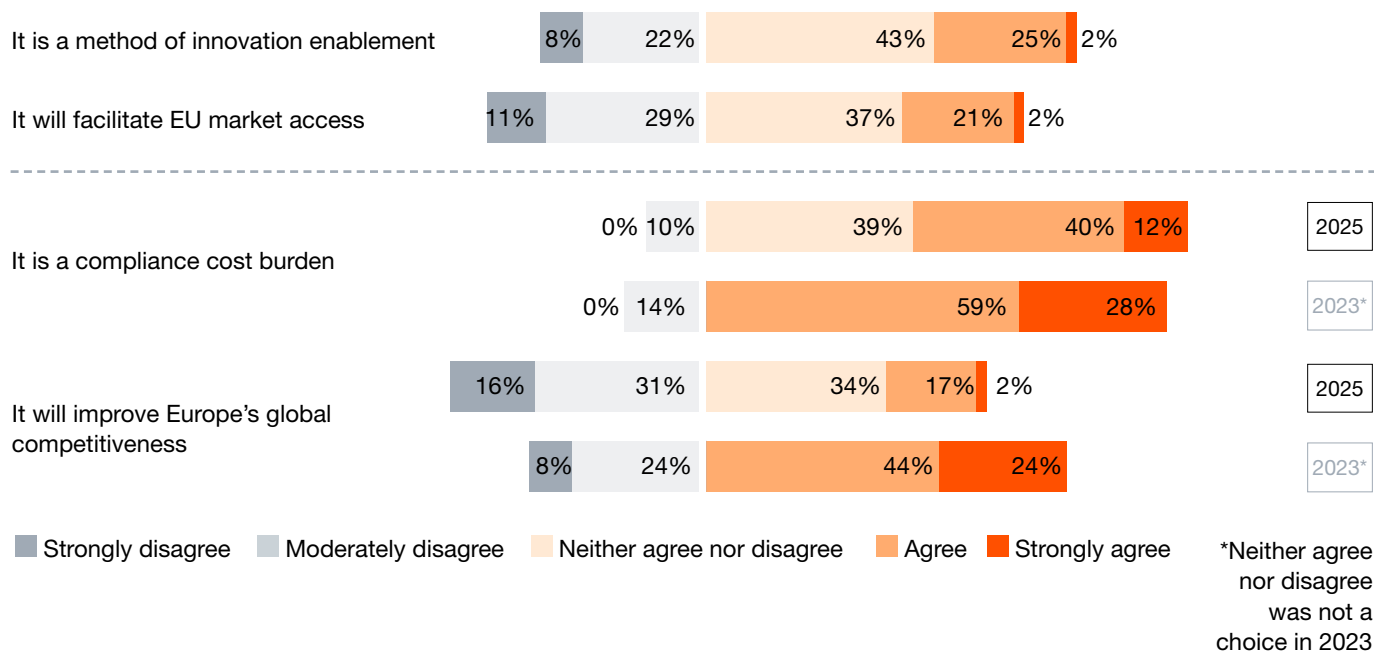■ Not engaged ■ Basic awareness ■ Moderately informed ■ Well informed

39%

of banking organisations report being well-informed about the AI Act.

In 2025, awareness of the EU AI Act remains mixed across sectors. The public sector stands out with the highest share of respondents reporting they are well informed (40%), followed by banking (39%) and operational companies (36%). Insurance also shows strong engagement, with 75% reporting moderate knowledge. At the other end, Alternative investments show a third of respondents not engaged at all. Compared to 2023, several sectors, including banking and asset management, have made modest gains but still show large proportions with only basic awareness or no engagement.

33%

of Alternative investment entities are not yet engaged with the AI Act.

Question: To what level do you agree with the following statements about the EU AI Act?
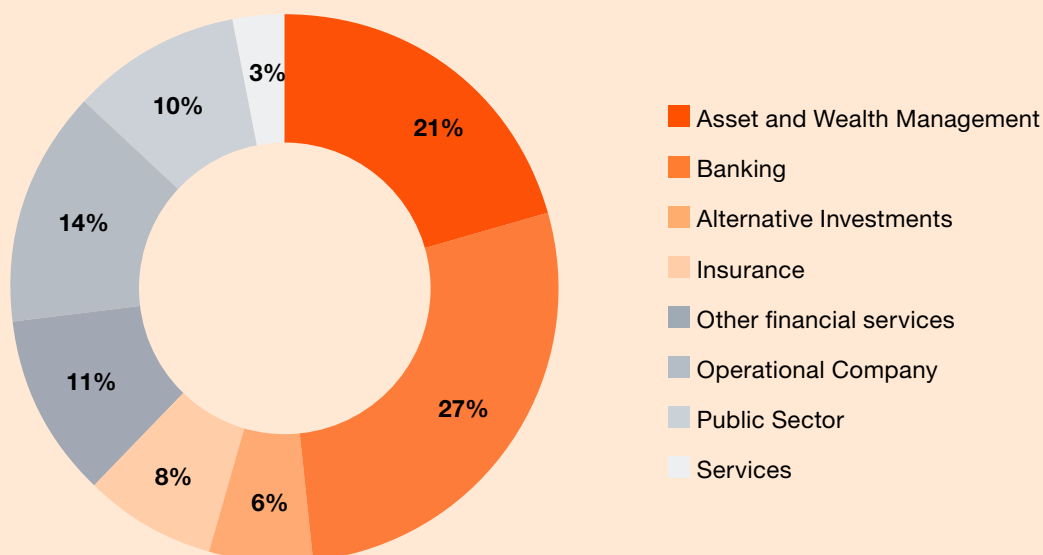
It is a method of innovation enablement
| 8% | 22% | 43% | 25% | 2% |

It will facilitate EU market access
| 11% | 29% | 37% | 21% | 2% |

It is a compliance cost burden

2025: 0% | 10% | 39% | 40% | 12%

2023*: 0% | 14% | 59% | 28%

It will improve Europe's global competitiveness

2025: 16% | 31% | 34% | 17% | 2%

2023*: 8% | 24% | 44% | 24%

Legend: Strongly disagree | Moderately disagree | Neither agree nor disagree | Agree | Strongly agree

*Neither agree nor disagree was not a choice in 2023

Perceptions of the EU AI Act remain mixed in 2025, balancing optimism with concerns. Most respondents view the regulation as a method of innovation enablement (68% agree or strongly agree) and as a facilitator of EU market access (58%). However, many also see it as a compliance burden – over half agree with this view, in line with 2023 results. Views on the act's impact on Europe's global competitiveness are more pessimistic: only 19% express agreement, while this number was 68% in 2023. This is a dramatic shift, potentially caused by the developing global landscape and a market dominance of US companies at this point in time.
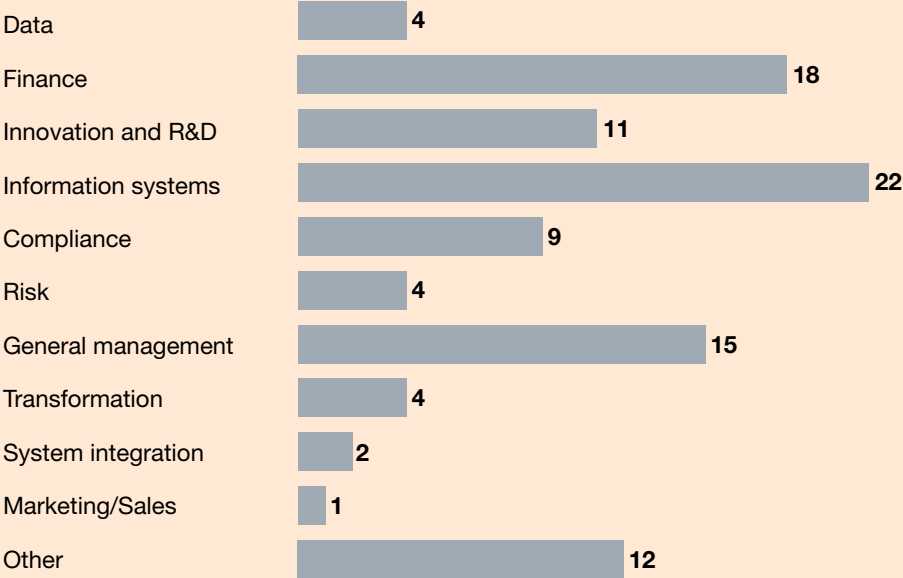
Methodology

From February to March, we asked the public, in coordination with ABBL and ACA, to respond to our 2025 survey on the use of data and AI in Luxembourg - the fourth edition since 2019. Overall, 101 responses could be collected throughout this period. Our respondents are covering a diverse range of functions within their organisations.

Question: In which business sector does your organisation operate?

- Asset and Wealth Management
- Banking
- Alternative Investments
- Insurance
- Other financial services
- Operational Company
- Public Sector
- Services

The number of respondents allowed us to cover a broad range of the sectors within Luxembourg's economy. The majority of our participants were from different financial services, with 21 organisations from asset and wealth management, 28 from banking, 6 from Alternative investments (both private equity and real estate), 8 from Insurance and 11 from other financial services, including e.g. payment providers and Fintech companies. In addition, 14 operational companies, 10 public sector organisations and 3 companies providing other professional services were responding.
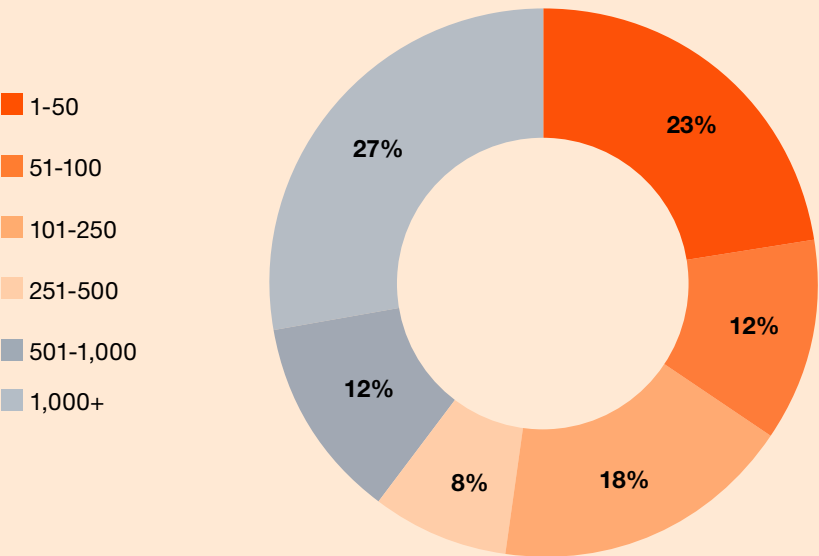
Question: What is your line of business?

Line of business	Count
Data	4
Finance	18
Innovation and R&D	11
Information systems	22
Compliance	9
Risk	4
General management	15
Transformation	4
System integration	2
Marketing/Sales	1
Other	12

Respondents come from a wide range of business functions, the most frequently represented of which were information systems (22 respondents), finance (18), and general management (15). Other notable areas included innovation and R&D (11), compliance (9), and "other" (13). Fewer respondents identified with transformation (4), risk (4), data (4), system integration (2), and marketing/sales (1).

Question: What is the size of your organisation in employees?

Similarly, a broad range of company sizes is covered, with 23% small entities of up to 50 employees, but also 27% organisations with 1,000 or more staff.

Legend:
- 1-50
- 51-100
- 101-250
- 251-500
- 501-1,000
- 1,000+

Pie chart values:
- 27%
- 23%
- 12%
- 18%
- 8%
- 12%

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