Value in motion

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AI adoption could boost global GDP by an additional 15 percentage points by 2035, as global economy is reshaped: PwC Research

- AI's potential to boost global growth hinges not just on its

capabilities, but on ability to deploy it responsibly and earn society's trust.

- However, physical climate risks could leave the global economy nearly 7% smaller in 2035 than it would have been otherwise.

- New cross-industry ways of working will allow companies to seize growth opportunities.

- To support clients in this new environment, PwC is unveiling a set of actions to help organisations unlock the value of enterprise AI at scale and act on industry insights; as well as a major refresh of its brand.

For immediate release. SINGAPORE, **29 April 2025** – New research published today by PwC reveals that AI has the potential to boost global economic output by up to 15 percentage points over the next decade. This would effectively add one percentage point to annual growth rates - on par with the growth increment the world began enjoying with 19th century industrialisation.

PwC's report, Value in Motion is based on data-driven scenario analysis which reveals that the global growth dividend from AI is not guaranteed and depends on more than just technical success – it also hinges on responsible deployment, clear governance and public and organisational trust. In other scenarios analysed by PwC, characterised by lower trust and co-operation, the incremental boost to the economy from AI would be more muted at 8%, or in a pessimistic scenario just 1%.

The research finds that rapid reconfiguration of the economy is already under way. PwC analysis indicates that the pressure for businesses to reinvent themselves is at some of the highest levels seen in the last 25 years across 17 out of 22 global sectors, with US$7.1 trillion in revenues set to shift between companies in 2025 alone, even prior to the recent global increase in tariffs.

PwC's research suggests that over the next decade, industries will reconfigure to meet human needs in new ways, leading to the formation of new 'domains' that cross traditional sector lines. For example, the rise of electric vehicles is

bringing electricity providers, battery manufacturers, tech firms and others into the mobility domain, enabling them to create value alongside automobile manufacturers.

Mohamed Kande, Global Chairman, PwC, said:

"As the structure of the economy transforms, value will increasingly come from organisations that can connect the dots across traditional industry boundaries. By focusing on evolving customer needs and using technology to dramatically change the way business operates, business leaders can unlock a step change in growth."

Marcus Lam, Executive Chairman, PwC Singapore,said:

"We are seeing megatrends driving industry reconfiguration and influencing Governments to introduce new policy considerations to transform the ways in which public institutions function. Singapore's strong fundamentals make us well placed to take a leading position in the shaping of the 'govern and serve' domain*.

"For example, AI can affect citizens' security in ways that might move governments to consider protective measures. At the same time, AI can serve as a powerful tool for public-sector transformation. When governments establish policies for safe, effective AI use, they help build trust in the technology. Then they can deploy it to boost productivity and better meet citizens' expectations for accessible and effective service. The growth of the AI sector is also giving rise to new public–private partnerships, like those intended to build out energy and digital infrastructure."

**See more forward-looking views on the Govern and Serve Domain here*

Climate impact

PwC's analysis shows that while AI is set to accelerate growth, the costs of physical climate threats will impose economic constraints. PwC's economic modelling suggests that physical climate risks could leave the global economy nearly 7% smaller in 2035 than it would have been otherwise.

Increased AI adoption is expected to lead to increased energy use by data

centres. However, modest use of AI to drive energy efficiency could offset this increased use of energy. PwC estimates that the energy use and emissions impact of AI would be neutral if each additional percentage point of AI use led to innovations which cut energy intensity by just 0.1%.

PwC continues to evolve to help clients unlock and protect value

As technology and other megatrends continue to transform the economy, PwC is unveiling a set of actions it is taking to help clients unlock the value of enterprise AI at scale, including:

- **PwC's agent OS:** PwC's agent OS enables a structural shift in how enterprises can orchestrate AI at scale, seamlessly connecting and scaling intelligent agents into business-ready workflows up to 10x faster than traditional methods. As well as offering this to clients, the network is also leveraging it within its own processes, with hundreds of AI agents deployed for specific tasks integrated into workflows to deliver productivity gains across tax, assurance and advisory services to clients.

- **AI expertise:** Each month, tens of thousands of PwC people are taking part in regularly updated training programmes through the Network AI Academy. Already, 291,000 PwC partners and staff have taken part in structured AI training.

- **New technologyalliances:** Since the start of December, PwC has unveiled new collaborations with existing alliance partners: AWS, Google Cloud, Microsoft and Oracle. This adds to PwC's existing extensive set of alliance activities, which also includes Adobe, Anthropic, Guidewire, OpenAI, SAP, Salesforce and Workday amongst others.

The network is also extending its ability to rapidly translate industry specific insights into real business model impact for clients, including through a new release of its CIO 100 Award winning GenAI tool, ChatPwC, which now includes a broader range of proprietary data, methodologies and research to give every client team access to the best of PwC's insight.

Value in Motion and other proprietary research is translated into reality by

Industry Edge - PwC's portfolio that underpins deep industry insights with supporting business models, processes, technology & data models, and AI accelerators to deliver industry specific transformation.

A new intelligent learning platform has been rolled out across the network. It combines a skills framework, AI powered learning recommendations and a conversational coaching experience into a single, unified and personalised learning experience.

PwC has also updated its brand, visual and verbal identity to better reflect the role it plays for clients: bringing expertise and technology to help them build, sustain and accelerate momentum. Changes to PwC's visual identity include new imagery and an updated logo with a new 'momentum mark' which signifies how PwC comes together with clients to drive them forward.

Carol Stubbings, Global Chief Commercial Officer, PwC,said:

"For 175 years, PwC has been constantly evolving so we can provide the capabilities our clients need. By evolving our capabilities and who we are as a business, we can help our clients build the momentum they need to create value, build trust and face the future with optimism."

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Notes to Editors

About PwC's Value in Motion research

PwC's methodology for assessing the future impacts of AI and climate change is a thorough, multi-step approach combining qualitative scenario development with quantitative modelling and specialist insights. The baseline growth scenario assumes a "business-as-usual" trajectory using Shared Socioeconomic Pathway GDP projections, adjusted to exclude AI impacts for separate analysis. Physical climate risk adjustments are made based on external academic research, estimating GDP reductions due to climate threats. The AI model evaluates different levels of AI adoption and net task change and their economic impacts, while the Climate Transition Risk Model assesses the costs of transitioning to a net-zero economy using an integrated assessment model. The outputs from these models are combined

in a master economic model to project global and regional macroeconomic impacts. The Climate-AI Interaction Model independently examines interactions between AI adoption, energy use, and emissions. Sector-domain mapping translates sector outputs into broader economic domains, while the BMR Pressure Index and Value at Stake research efforts assess the pressure on companies to reinvent their business models and quantify potential revenue shifts. The full findings can be accessed here.

About PwC

At PwC, we help clients build trust and reinvent so they can turn complexity into competitive advantage. We're a tech-forward, people-empowered network with more than 370,000 people in 149 countries. Across audit and assurance, tax and legal, deals and consulting we help build, accelerate and sustain momentum. Find out more at www.pwc.com.

Contacts

Siew Ling Ong
Press Contact
Manager, Brand and Communications
siew.ling.ong@pwc.com

Candy Li
Press Contact
Team Lead - Brand & Communications
candy.yt.li@pwc.com

Verlynn Heng
Press Contact
Senior Associate
Brand & Communications
verlynn.wy.heng@pwc.com
81251483